107th CONGRESS
2nd Session

Printed for the use of the
Commission on Security and Cooperation in Europe

Cyprus: What if the Talks Fail?

March 26, 2002

Briefing of the
Commission on Security and Cooperation in Europe

WASHINGTON : 2002

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The OSCE Secretariat is in Vienna, Austria, where weekly meetings of the participating States' permanent representatives are held. In addition, specialized seminars and meetings are convened in various locations. Periodic consultations are held among Senior Officials, Ministers and Heads of State or Government.

Although the OSCE continues to engage in standard setting in the fields of military security, economic and environmental cooperation, and human rights and humanitarian concerns, the Organization is primarily focused on initiatives designed to prevent, manage and resolve conflict within and among the participating States. The Organization deploys more than 20 missions and field activities located in Southeastern and Eastern Europe, the Caucasus, and Central Asia. The website of the OSCE is: <www.osce.org>.

ABOUT THE COMMISSION ON SECURITY AND COOPERATION IN EUROPE

The Commission on Security and Cooperation in Europe, also known as the Helsinki Commission, is a U.S. Government agency created in 1976 to monitor and encourage compliance by the participating States with their OSCE commitments, with a particular emphasis on human rights.

The Commission consists of nine members from the United States Senate, nine members from the House of Representatives, and one member each from the Departments of State, Defense and Commerce. The positions of Chair and Co-Chair rotate between the Senate and House every two years, when a new Congress convenes. A professional staff assists the Commissioners in their work.

In fulfilling its mandate, the Commission gathers and disseminates relevant information to the U.S. Congress and the public by convening hearings, issuing reports that reflect the views of Members of the Commission and/or its staff, and providing details about the activities of the Helsinki process and developments in OSCE participating States.

The Commission also contributes to the formulation and execution of U.S. policy regarding the OSCE, including through Member and staff participation on U.S. Delegations to OSCE meetings. Members of the Commission have regular contact with parliamentarians, government officials, representatives of non-governmental organizations, and private individuals from participating States. The website of the Commission is: <www.csce.gov>.

CYPRUS: WHAT IF THE TALKS FAIL?

MARCH 26, 2002

PARTICIPANTS

APPENDICES

IF THE CYPRUS TALKS FAIL

MARCH 26, 2002

COMMISSION ON SECURITY AND COOPERATION IN EUROPE
WASHINGTON, DC

The briefing was held at 10:00 a.m. in Room 340, Cannon House Office Building, Washington, DC, Ronald J. McNamara, Chief of Staff, Commission on Security and Cooperation in Europe, moderating.

Panelists present: Doug Bandow, Senior Fellow, CATO Institute; Philip H. Gordon, Director, Center on the United States and France, and Senior Fellow in Foreign Policy Studies, The Brookings Institution; Ian O. Lesser, Senior Political Scientist, RAND Corporation; Colonel Stephen R. Norton (U.S. Army, Ret.), Senior Policy Advisor, Western Policy Center.

Mr. MCNAMARA. Good morning, my name is Ron McNamara. Welcome to this briefing of the Commission on Security and Cooperation in Europe.

On behalf of our Chairman, Senator Ben Nighthorse Campbell, and our Co-Chairman, Chris Smith, and the other members of our Commission, we welcome you here to this our latest briefing in a series of briefings on developments in the OSCE participating States.

This is the second briefing in recent months on developments in Cyprus. Actually our last briefing, held on December 4, with Ambassador Tom Weston took place on a timely basis as the direct talks began that day. We were interested in having an update on developments in terms of the ongoing discussions regarding Cyprus and are very pleased to have four genuine experts in that field with us today.

Today's briefing will be transcribed, and an electronic copy of the transcription of today's proceedings will be available through our Commission web site which is <<http://www.csce.gov>>. That should be available by close of business tomorrow.

Just a personal observation: I was responsible for organizing a delegation of Commissioners that traveled to Cyprus back in January of 1998. While the conflict in Cyprus predates the Conference on Security and Cooperation in Europe, Cyprus was and is an original participating State of the now OSCE, Organization for Security and Cooperation in Europe [OSCE].

We are very pleased to have with us today, in the order in which they will address us: Doug Bandow, senior fellow at the Cato Institute; Philip Gordon, director of the Center on the United States and France and senior fellow in foreign policy studies at The Brookings Institution; Ian Lesser, senior political scientist at the RAND Corporation; and Colonel Stephen R. Norton, a retired U.S. Army senior policy director with the Western Policy Center.

We are anticipating that Mr. Gordon will be joining us shortly, and if that is not the case then we will be flexible enough to change our lineup here, although we are pleased that the three experts are with us at the beginning.

Once all the panelists have made their presentations, we'll open the floor to questions and answers. What we would ask is there is a stand-up mike in the middle aisle; if you'd approach the mike and indicate your name and any affiliation you may have, there will be a list that you can please print the correct spelling of your name so that will be accurately reflected in our transcript that will be, again, available tomorrow afternoon.

Without further ado then, I will turn to Mr. Bandow to open today and look forward to his presentation.

Mr. BANDOW. The formal topic is "What Happens If the Cyprus Talks Fail?" I suspect all of us here hope they do not. This is an issue that has been with us for a quarter-century, in terms of division, division that extends beyond Cyprus itself, into NATO and certainly relations between Greece and Turkey. It is interesting to see it come back as an issue today.

The foreign policy today is very important for a lot of issues, and Cyprus has not been on the top burner in Washington. We have obviously been looking elsewhere, whether it be Afghanistan, or Iraq, or other elements of the axis of evil and what have you.

Yet I think these ongoing talks are quite important not just for Cyprus, where we are talking about a quarter-century of division, we are talking with all the hardship and losses that occurred on that island; but also for the region—Greece and Turkey and more importantly for the EU. The question of bringing Cyprus in. The issue of how Turkey responds. Turkey's potential, at some point at least, for accession into the EU.

Stepping back and looking at this issue, the question of the likelihood of the talks succeeding to some degree depends on history. Cyprus unfortunately, like the Balkans in many ways, is wrapped in history. That history has a very important impact on whether or not these talks succeed.

We are seeing the passing from the scene of some of the leadership in the island in the past controversies. There is the death of Spyros Kiprianou, fairly recently, one major player who has now passed from the scene, president of Cyprus and associate of Makarios, an important player in many ways. The current participants in the talks, Rauf Denktash and Glafcos Clerides, are both elderly, both clearly at some point will be nearing the end of their political roles in Cyprus.

So we are seeing the generations involved in this conflict for so many years have perhaps their final potential to come up with a solution. Yet it is very hard to imagine any solution that doesn't take into account this history going back to the Ottoman Empire, the British, the question about how to resolve independence in Cyprus, the violence, the United Nations coming in and, of course, in 1974 the Turkish invasion.

Unfortunately, it is very hard to see an obvious answer. We have had talks on and off for 25 years. What spurs the issue today is the issue of the EU and whether or not Cyprus goes in; and in many ways, the Turkish threat, which they haven't repeated recently but nevertheless hangs over the proceedings, of whether or not to annex the section of the island which the Turkish troops occupy.

That, of course, would create an explosive situation in terms of EU relations, in Europe and the United States—it would add a very different dimension to the issue. I do not know how serious Turkey is about that, but certainly adds something to these talks.

There is a danger of putting any artificial deadlines in terms of getting a solution this go-round. This is a very hard problem to solve. One doesn't want to look at the EU accession as being something that requires a solution immediately or should spark a Turkish or other response if a solution hasn't been reached.

When you look at Cyprus here, or we look at any ethnic conflict and trying to solve it, we find that the issues are hideously complicated. We can come up with broad principles; the question is, how do you apply them in practice?

In the abstract, most people believe that military action and ethnic cleansing are unacceptable. Most people would agree that if injustices have been done in the past, they need to be responded to, remedied, dealt with. That the fears of minority populations have to be responded to as well. The question, of course, is how does one apply those principles on the island itself? How do you come up with a solution?

There is always a danger, in terms of these talks, of participants talking passed each other. As I see it, in terms of the Republic of Cyprus, the greatest concerns of people are reimbursement for lost property, the right to travel throughout the island, the ability to go back to historic homelands, the notion of having a unified island again; where, in fact, Cyprus exists as a nation in which people are free throughout that island.

Turkish Cypriots with whom I have talked seem far more concerned over security issues. The question about, how can they feel protection as a minority on an island that is overwhelmingly ethnic Greek? The problem is, how does one bridge that gap and deal with those different concerns where the different communities appear to have different emphases?

It strikes me there are several critical issues which are the keys to getting a solution. The first, of course, is the federal solution. Everyone agrees that the only solution for Cyprus is some form of federal solution. But we really do have a question of, are we are talking about a real national government, where there is significant autonomy within the different communities, or is essentially some sort of international government where, in effect, there are two nations within, where the international government is primarily for international purposes as opposed to a national government?

Those kinds of details are critically important in terms of what a government looks like.

The issue of mobility for the communities matters very much. The ethnic Turkish fear the Greeks overwhelming them. Yet it is hard to imagine a real country where, in fact, people are not free to travel throughout the entire country.

There is question of compensation; how does one work through, 25 years later, the question of lost property?

Another issue is security guarantees, and the role of Turkish troops: Can one come up with a mechanism by which there is a united Cyprus and some presence of international forces to give a sense of guarantee that people feel is necessary? I have trouble imagining any potential for future violence, but if one talks to people and one finds that fear, that fear has to be addressed.

Accounting for missing persons remains a very emotional issue in the Republic of Cyprus. The question of how one deals with that, how one recognizes injustices that were done in the conflict, while one tries coming up with a present solution is not easy.

The status of Turkish immigrants is very interesting. It's an issue not just in the south; it is also very much an issue within the Turkish community. One finds Turkish Cypriots somewhat concerned about those who have come over from Turkey and their role in any future federation. It's certainly a matter for the Republic of Cyprus because it changes the island's complexion, changes what that nation is.

The problem then is how does one work through these kinds of issues. It's hard now to look at the Denktash-Clerides talks and figure out how well they are faring. Most importantly one has to come up with the form of federation one. If one can solve that, the

other issues are solvable. Nevertheless, there is a wide gulf of federal solutions and what the EU would be willing to accept potentially as a nation-state and that is the difficulty that we face.

We have had talks for many years. I hesitate to predict what the outcome of these talks will be. What is most important is not to set an artificial deadline because what we need is a serious long-term solution. The worst thing would be to try to cobble together some short-term solution that would break down in practice.

I am very concerned about the Balkans, and whether or not we have long-term solutions there, or whether all we have managed to do is put together artificial nation-states which have no inherent reason to exist and which will not exist without outside military occupation.

There is a real danger in Cyprus of feeling the pressure of artificial deadlines, putting together a solution that if it broke down would make any future solution much harder and one which could exacerbate the problem by, for example, sparking Turkish retaliation, which would inflame the situation far more.

I wish the participants well. This is an area where the United States and EU can encourage a solution, but ultimately the solution can only come from the Cypriots. The Cypriots have to be able to work together and come to a solution to end 25 years of division. That's something which I think everyone on this panel and in this room would like to see happen.

Mr. MCNAMARA. Thank you very much.

Ian Lesser?

Mr. LESSER. Thank you very much.

Let me try to build on some points that Doug has made by talking, perhaps, a little less about the specifics of a possible settlement on Cyprus itself and a little bit more about the setting, and about the strategic implications of a failure of the Cyprus talks. I will stress that these are personal observations; they are not RAND observations.

Let me just make three broad points. The first is that for a long time we have talked about the issue of ripeness in relation to Cyprus and the Cyprus conflict. I think that the issue of ripeness has been resolved. The time is ripe, and it is ripe because of the European angle. The issue of European membership, European membership for Cyprus, but also in the broader sense European prospects for Turkey and the Europeanization of Greek policy over the last decade. Europe is the key now, and Europe has proved a key context for a prospective settlement.

Nevertheless, the clock is ticking. We are getting near the end of accession negotiations for Cyprus. Cyprus is essentially ready to come in. The EU, with its enlargement strategy, is, one hopes, ready to take Cyprus in along with others. So the clock is ticking. As the clock ticks, the realities of what Turkey and Greece and others signed up to at the Helsinki Summit in 1999—becomes much more evident. There is much more pressure on what Helsinki really meant. Helsinki, for both Greece and Turkey, was all about Europe and it was all about Europeanizing Greek policy toward the issues that are outstanding with Turkey. But it also provided a long-term prospect of convergence and integration for Turkey.

The problem is that Turks, including many Turks who would like nothing better than to promote an integration with the EU and EU membership for Turkey, have become extremely disillusioned. They've become disillusioned with Turkey's own progress, with Europe's own attitude. The atmosphere at the moment is not good. It's an atmosphere of

mutual ambivalence, at best; a great deal of suspicion. With that as a context, it seems to me, it becomes much more difficult for Turkey to play a very encouraging role with the Turkish community on Cyprus, aimed at a settlement.

Now, there are some positive developments. If you talk in Athens and Ankara about this issue, there is now a tendency, ever more, to be able to view the Cyprus issue a little more dispassionately, with a little more objectivity. People in Athens and elsewhere will talk about the divisibility of the Cyprus issue vis-a-vis other things that Greece worries about. But there are limits to "divisibility." Essentially, the Cyprus issue remains the nationalist issue par excellence for both sides.

The second point I would make concerns the problem of Turkish relations with the European Union. There have been some rather harsh statements recently from the Turkish General Staff and others regarding what they see as a very poor climate in Turkish relations with the EU.

This has implications for the United States. The United States has promoted Turkish membership in Europe, promoted the idea as a way to encourage a settlement on the Cyprus problem. It is becoming harder and harder for us to make that case.

Ever since Helsinki, the issue of Turkish membership in Europe has become a more administrative and legalistic issue. Sure, we can add our opinion, but we do not really have the standing to push this. Turkey is either going to take the steps that are necessary to move along and European attitudes are going to evolve in a way that encourages that, or they will not.

So, we need to consider the implications of Cyprus coming into the EU, the failure to reach a settlement, against the background of a poor, at best, relationship between Turkey and the European Union.

If Turkey were to respond by annexing Cyprus formally, for example, I think this would not only underscore the possibility of a hollow candidacy for Turkey with the European Union, but possibly lead to Turkey's estrangement from the European Union, and in a broader sense an estrangement from the West. That, of course, makes the issue of Cyprus and many other things far more complicated, and is very much against U.S. interests.

Let me just conclude by offering some thoughts on U.S. stakes, and some policy implications. I think that if we look at the situation today Europe is clearly really at the center of the equation. Having said that, though, the United States retains some very strong stakes in Cyprus. We have stakes in the outcome, and there are some policy implications for us.

I treat with some skepticism the idea that Cyprus itself has immense geostrategic value. We sometimes hear this argument in the context of sea lanes. If Baku-Ceyhan is open for Caspian oil, and if more Iraqi oil passed through Turkish pipelines, protecting sea lanes and so forth. That is very much a Cold War notion. No one is out to interdict those sea lanes. It's really not something we need to think about that way.

Nevertheless, having said that, I think there are at least three reasons for us to care deeply about Cyprus. We care about Cyprus because it has been, along with the Middle East peace process, a longstanding area of U.S. diplomatic engagement where we have a strong stake in resolution.

Secondly, the whole issue of continued Europeanization of Greek policy, the European integration of Turkey and the convergence of Turkey with European institutions and norms over the longer term, all of this matters to us in a broader sense. At a time when we are beginning to think about other kinds of strategic problems like terrorism,

and we want to engage Turkey and Greece, how much harder will that be if there is a risk of estrangement with either one?

Then, finally, and more narrowly, we have a stake in Greek-Turkish detente apart from Cyprus. The current detente is an enormous benefit to the United States. It removes a very serious point of risk in Europe. We need to consider—I leave this as an open question for you—that if we cannot resolve the Cyprus problem, and Cyprus comes into the European Union and Turkey responds and so forth, whether we can still envision Greek-Turkish detente moving ahead? Perhaps we can, but it is going to be much more difficult.

Some final policy points: I think the bizonal, bicommunal federation as a formula and as a focal point for what the United States has been trying to achieve, remains valid for some of the reasons that you mentioned. But at the end of the day, it is essentially whatever the parties are willing to sign up to that's going to matter, and we should not be too doctrinaire about formulas.

I think if there is a failure to reach a settlement, we ought to think about our hedging strategy. What do we need to do to keep the negotiations open? Because after all, even if Cyprus comes into the EU without a settlement, it should not end the prospects for a settlement.

We need to think, whether there is a settlement or not, about the new demands we may face for monitoring and peacekeeping on the island. Perhaps involving NATO, perhaps involving the OSCE in some way.

So, let me just conclude by saying that when we look at the Cyprus situation today, it is worth considering the broader picture in thinking about U.S. stakes.

Thank you very much.

Mr. MCNAMARA. Thank you very much, Ian.

We will now turn to Philip Gordon.

Mr. GORDON. Thank you very much.

I agree already with much what's been said, but let me see what I can add. Begin with one thought, which is that I think the stakes in this issue are actually very high. Some people in this country look at this problem and say, "Why pay attention to Cyprus? It's a minor issue. OK, even if part of it joins the EU and the other part doesn't, we'll just get on with life and everything's OK." I think that's too complacent. I actually think that if things go badly in the Cyprus talks and the accession process, the consequences—the negative consequences of that will spread well beyond the island of Cyprus.

I think if you think about it about two possible courses where this issue is concerned, you can see what I mean. Since the Helsinki decision there has been an awful lot of progress in Greece-Turkey relations and in Turkey-EU relations in general.

I think that progress, and you know what it is, diplomatic relations, the deals on various issues, the economic dialogue and so on, I think that a deal on Cyprus before the end of this year, before any EU accession, could really contribute to bringing out a new era for the eastern Mediterranean and relations between Greece and Turkey.

I think Cyprus is the obstacle to much of the relationship between those two countries, and between Turkey and the EU. A deal on Cyprus could lead to further economic cooperation, progress on other disputes, like the Aegean, allow both countries to lower their defense budgets and contribute to their economies, and the prospects of tension and contribute to Turkey's prospects with the EU. All of that would so obviously be in the interests of Greece, Turkey and Europe in general.

At the same time, one needs to be very concerned about the opposite of everything I just mentioned. I think it is unlikely that you could have the failure of the Cyprus talks and everything else move along just as it has been in terms of Greece-Turkey relations and Turkey-EU relations. On the contrary, despite whether Turkey annexes the north of the island or simply enhances its relations with it, it should lead easily to a situation where then the Greek Cypriot side is accusing Turkey of occupying EU territory.

Greece-Turkey cooperation could not survive in such an environment. This would really run the risk of alienating Turkey even more than it is already from the EU, and possibly ending the prospects of Turkish membership in the EU, and even its aspiration to join the EU. Added to that is the risk of conflict and greater military budgets.

Those two scenarios are both entirely plausible in terms of this region over the next couple of years. That's why I think that for the United States, for Europe, for everyone involved, this is a very significant issue with high stakes.

I think it is interesting this discussion was entitled "If The Talks Fail," giving it a negative spin, almost as if that's what we are anticipating rather than actually looking at the talks and the prospects for them. There seems to be a sense that this is actually the likely outcome, and I can understand why that's the general sense.

I have to admit that I'm not terribly optimistic about the talks succeeding. I wish I could say otherwise.

I think it is true the parties are now back at the table and talking, which is a good thing. The Turkish Cypriot side has ended the precondition of recognition before even talking. That's obviously a step forward. But there haven't really been fundamental changes in the position of the two sides and all of the very difficult issues about sovereignty and security and land and refugees still seem to be there as divisive as they were before.

We sometimes hear talk about some, sort of, deadline invented for June, but it is hard for me to see—we are on the verge of April now—suddenly quick progress. Moreover, neither side really has an incentive to strike an early deal.

Thus I think we have to be realistic about these talks. Even if one concludes that at the end of the day, the sides are going to see the light and want to cut a deal, why would they cut it in June? Why not push it till the last minute?

We can talk about what the last minute might be. Maybe it is just before EU decisions on accession in December, but it is very difficult for me to imagine why either side, which has negotiated so toughly for more than 20 years, would strike an early deal knowing that there is a great risk that the other side would then ask for a little bit more. So I think we need to be absolutely prepared for breakdowns in the talks, continued haggling between the two sides, literally up to the last minute, which is as I say probably is the EU's Copenhagen summit in December.

Think about the context in which this is going to be taking place: you also have a NATO summit in November in Prague and decisions on NATO enlargement. Obviously, Greece and Turkey are both voting members in that regard. It might be in the context of a U.S. decision to invade Iraq, which could also come in the fall, where Turkey would be a critical ally. The end of the year is going to give us plenty of diplomatic business, and I think we need to be prepared for that and to see this problem in that context.

I have a feeling that when November/December comes, we are still going to be talking about this issue. I would rather believe that in June, the sides and the island are going to announce a deal, and we'll all celebrate that, and everything will be in line. But I do not think—I think it would be highly imprudent to expect that.

In that context, with such high stakes, the possibility for such negative developments and the unlikelihood of an early deal, what can or should the United States do?

First, I do not want to start with what the United States should not do, but let me say this. It's tempting to many people here—particularly in the context of the war on terrorism, the need for Turkey, the strategic relationship with Turkey, and the notion that if Cyprus joins the EU without a deal on the island, it would have all these negative consequences, it is tempting for many to say, "What the United States should do is come out and oppose Cyprus' accession to the EU, say that we do not support it, and do what we can to try to stop it."

I can see why that's tempting, but I do not think it would work. I think even as recently as a year ago, there were significant reasons to believe that something might stop Cyprus' progress toward joining the EU. We could put this problem off for another several years or decades or whatever. But a combination of factors—the Nice decisions on reforming the EU, the Republic of Cyprus' progress in meeting EU acquis, the Helsinki language on the solution not being a prerequisite, and particularly the fact that the Turkish side wasn't willing to participate in talks for a while—drove the EU to a belief that Cyprus actually is going to be invited to join the EU in December.

Barring something out of the ordinary, that's going to happen. Therefore, it seems to me that whatever the United States might want, and Ian suggested this in the context of candidacy status, it is true we lobbied very strongly for candidacy status for Turkey. We actually got the EU to do it, not without some significant irritation from our European partners on that issue.

But I think this would be a step too far. I do not think we can persuade the EU not to go ahead with this. I think that were we to try, we would fail. The fact is that as powerful as we are—as we think we are—we do not have a vote. If the EU has decided to do this, and we try to throw ourselves in front of that, I think what we could end up with enormous tensions with Europe without any change in the decision to accept Cyprus.

Secondly, a reason not to do that is that it would remove some of the incentive for the Turkish side to reach a deal. I think it is probably accurate to say that the main reason that the Turkish side is at the table now is because of this process and the EU membership process. If there is any chance that a deal is struck, it would be in the context of Cyprus joining the EU.

Finally, I think if we were to try to throw ourselves as the United States in the way of this moving train, even if we were to succeed somehow, we all know that this would then lead to a Greek veto of the rest of the EU enlargement which would not be in the United States' interests and would basically be replacing one crisis by another, putting off one crisis to have a different one.

So I think again I can see why the United States might be tempted to try to do this. I was recently in Turkey myself, and I heard many people still counting on this, which actually is a cause of concern. I think we need to clarify our policy on this issue, because as people do not believe that this is going to happen there could be misunderstanding.

If we can't do that, what can we do? Let me just suggest a couple of things and end with that. One is I think we need to support the talks that are fortunately going on now, and we might actually even need to think about jumping in more actively. So far the attitude is, "We will leave this in the hands of the parties and the U.N.; we'll see what they come up with," but I think anyone who's looked at the issues and the current status of the

talks can't be confident that the parties, if left to themselves and, with U.N. guidance or leadership, are going to strike that deal.

Because the stakes are so high, I think it is quite likely that, as the spring and summer moves on, the United States with the EU might have to get a bit more specific about what it believes to be a reasonable solution in Cyprus.

The problem is, which is only natural for a negotiation, each of the parties is going to want to—even assuming that they want a deal, it is only normal for them—and one wouldn't expect anything else—for them to push as far as they can and get as much as they can without crossing the line and seeming intransigent. That's how a negotiation works, and it is perfectly normal.

But there is a great prospect for misunderstanding what would be interpreted as not playing fair, not being prepared and being intransigent. I think at some point the EU and the United States are going to have to come clean on what they think a reasonable Cyprus deal is. I do not think they can sit back and leave it to the parties to decide what a reasonable Cyprus deal is.

We never liked the idea of getting out and presenting a plan, but you can't use the notion of, "Intransigence leads us to back the other side," if you're not prepared to tell them what you think some sort of a reasonable deal is.

So I have a feeling that at some point over this summer, if the talks are still going on without a solution by then, whether we like it or not, we are going to wake up to the fact that the stakes on this are actually high and we might have to get more closely involved. We'd obviously have to do it with the EU because, again, at the end of the day it is not up to us.

On the question of membership, I think we need to maintain this creative ambiguity on Cyprus' EU accession, an ambiguity that the EU is skirting very close to ending with its talk about Cyprus joining almost no matter what. That is to say, I think we need to stick with the notion that a settlement on the island is not a prerequisite, that it is actually possible for Cyprus to join even if there is not a settlement, because otherwise you're basically telling the Turkish side that there is no need to cut a deal.

But at the same time, I do not think we should move too far away from the all-relevant-factors language of Helsinki. If the Turkish side does seem to be coming forward with reasonable ideas about what a Cyprus settlement might look like, I think that then the ball goes to the other court and we need to be clear that Cyprus doesn't have an absolute blank check of joining the EU regardless of what happens on the island.

In that regard, it seems to me that for the Turkish Cypriot side, backed by Turkey, this needs to be kept in mind, that the only way of really avoiding right now Greek Cyprus joining the EU without them is to be forthcoming in the talks and make it more difficult for the other side by actually putting things forward that would seem to the United States and European Union as an acceptable solution.

I think we need to be very much engaged with Greece and Turkey, laying out this positive vision of what could come about for this region and for Turkey if there is a deal on the islands, and think the role of Greece and Turkey is critical.

Then, finally, after all of this, I think we need to be prepared to think about how to achieve a soft landing if none of this works. It takes me back to the initial skepticism I suggested about the prospects for the talks themselves. The negotiators clearly do not want to do this, and one understands why. If you start talking about a soft landing, then

you remove the incentive and the pressures of the two sides to actually cut a deal in the first place. So that's fine, and that's maybe an understandable position.

But I think that governments still need to really be thinking about and talking to the parties about how to prevent this from being the calamity it could be if Cyprus actually joins without a deal on the island, which, frankly, it seems to me is still the most likely prospect for the end of this year.

That means a range of things, but the bottom line has to be encouraging both sides to see this not as the end, the final breaking point, where Cyprus joins, Turkey annexes the north, Turkey breaks off relations with the EU, crisis, end of Greece, Turkey and all the rest; but rather as unfortunate that Cyprus had to join the EU without a deal, but the door being left open for future reconciliation on the island between Greece, Turkey, and between Turkey and the EU.

I think it is our job as outsiders to do what we can to make sure that, if this scenario that's most likely comes about, it doesn't turn into the crisis that it could be.

None of these ideas, either for fostering the talks or for engineering a soft landing, are in any way a silver bullet, but I have to say the silver bullet doesn't exist for a conflict that's been stalemated for so long. Each of the sides on the island would like us to take their side on this issue. The Greek Cypriot side would like us to pressure the Turkish side and say that they'll be isolated if they are not more forthcoming; and vice versa, the Turkish side would like us to take their view and block Cyprus' entrance into the EU.

I do not think the United States will take sides in that way, and I also do not think it can. You know, we have seen over the decades that isolating the Turkish side doesn't work and doesn't force them to make concessions that they do not want to make, and on the other side, we do not have absolutely leverage over the EU.

So at the end of the day, as one of the previous speakers said, the bottom line is that Cypriots are going to have to make these decisions for themselves. We can do all we can on the outside, and in particular I think stress the positive vision that could come out of this if they can reach an agreement on the island and agree to join the EU together.

Thank you.

Mr. MCNAMARA. Thank you, Philip.

Colonel Norton?

Mr. NORTON. Well, thank you, Ron.

I will give you a soldier's viewpoint of the Cyprus situation. Maybe more accurately I should say a retired soldier's viewpoint of the Cyprus situation.

I'm going to begin and end with two different quotations from one of my favorite American philosophers, who also happened to be a catcher for the New York Yankees; of course, I'm speaking about Yogi Berra.

When I first heard the talks were resuming in December the first quote that came to my mind was, "It's deja vu all over again." We do not know if that's going to play out. We will see.

First, let me thank the Commission on Security and Cooperation in Europe, and more specifically for Chad Gore, for the kind invitation to speak with you today. Also, let me thank you for coming.

The subject has already been mentioned: What will happen if the Cyprus talks fail? I've taken this title and changed it just a little bit to read: What does it mean for U.S. interests in the region if the Cyprus talks fail?

There is a lot of history involved in Cyprus, a lot of very important history, and a history viewed quite differently depending on where you are looking at it. If you're looking at it from the optic of south Nicosia, north Nicosia, Ankara, Athens, Brussels, London or Washington, you're going to come up with a little different view.

I will not get into history today because of the time limitations, but it is important for you to understand where my optic is coming from. I think this might best be illustrated by a little incident that happened to me in 1988 while I was serving as the U.S. defense attache in Cyprus.

At that time I was suffering from a very severe back problem, which was related to a helicopter crash that happened years before in Vietnam. I tried every specialist I could find—military, civilian. It didn't matter. The pain remained. Eventually, my GP, who was a Cypriot, sent me to a Greek Cypriot chiropractor, Dr. Dinos Ramon. Dr. Ramon had lost a very large and lucrative practice, which was north of Famagusta in an area called Bogaz. This, of course, just happened after the Greek-sponsored coup and the subsequent military operation in '74.

I'd never met Dr. Ramon before, but I'm sitting in the chair. He's behind me. He's got his hands on my head. He says, "Now, relax your neck." Just as he's about to adjust me, he said, "On the Cyprus issue, Stephen, are you pro-Turkish or pro-Greek?"

[Laughter.]

I felt I was in the middle of a minefield. I wasn't sure how to get out of it. I gave him the best answer I could, which was, "Doctor, I'm pro-American." He said, "Good enough." We have been friends ever since.

My point is that, when discussing Cyprus it is always a little bit risky and one tends to get branded anti- or pro-, one side or the other. Unless there is any doubt, my remarks are not anti- any country, but are observations of the realities as I see them in 2002 as viewed by American observer.

Let me start by saying that the importance of Cyprus transcends the island itself, and it always has. You can't isolate Cypriot problems from the interests of Greece or from Turkey or from the United Kingdom. But there are also U.S. interests affected by a Cyprus solution, and let mention six. I'm going to do it in a positive way, in that if there is a solution these six good things happen.

1. It reduces the potential for conflict in the region. Obviously, it does so on the island. It also does it in the Aegean.
2. It strengthens NATO southern flank at a time when the alliance is deeply engaged in Balkan peacekeeping and the war on terrorism.
3. It improves bilateral relations between NATO allies, Greece and Turkey.
4. It enhances Turkey's reputation with the European community and helps with its EU accession process; a very important item.
5. It decreases longstanding anti-Americanism in Greece.
6. Finally, it serves as an example where you have Christian and Muslim populations working out their problems together. That's all on the plus side.

On the other hand, if the talks break down, we can expect these interests to be adversely effected. If the talks break down, and we then assume that Cyprus, minus the north, accedes to EU membership—and this seems probably at this time—and if Turkey lives up to its threats to annex the north in some fashion, should this occur, then I see the eastern Mediterranean becoming a much more fractious region where defense budgets and the potential for conflict will remain high.

Military forces along the Greek and Turkish land border and the Green Line in Cyprus would probably be reinforced, while air and naval activities throughout the Aegean and around Cyprus would increase.

It would be a shame for Cyprus to enter divided into the EU only to find their long-term security worse than it is today. It would be a shame to see a reversal of the ongoing Greek-Turkish reapproachment. It would be a shame to see Turkey's relations with the EU and its own desire for EU membership severely set back, and it would be a shame to see NATO's southern flank weakened.

I think, as Ian mentioned, the clock is ticking on the Cyprus problem and in a short time it will be either far better than it is today or far worse. I think it is time for the United States to elevate the Cyprus problem to try and protect its interests in the region, including Turkish ties with the EU.

A comprehensive settlement in Cyprus, based on the Clerides-Denktash discussions, obviously would be the ideal solution. It's not necessarily, however, the most likely outcome. Therefore, I think interim, but important adjustments could and should be considered as well. I will name a few.

First: Turkish acknowledgment that Cyprus will meet EU criteria and gain membership many years before Turkey does. Rather than annex North Cyprus when this happens, the Turks should help find a way to include Turkish Cypriots now in the EU process in a manner that protects its interests.

Redefining a successful Cyprus policy: Instead of adopting an either/or approach to a comprehensive political settlement, let's identify steps based on the art of the possible, such as arrangements to allow the Turkish Cypriots to join in the EU accession process or modifications in the international trade embargo against northern Cyprus.

Third: New flexibility regarding the basic EU tenant that all citizens can move freely with the right to acquire private property within a member country. This greatly concerns Turkey which envisages Greek Cypriots simply buying up the north parcel by parcel and relegating the Turkish Cypriot workers to unskilled labor and farming positions while the Greek Cypriots become the primary entrepreneurs throughout the island. But this EU tenet is not an absolute and arrangements, even at the transitional level, can be considered for Cyprus to assuage these fears.

Fourth, in my mind, the most promising would be the prospect of a new security architecture that could be built now for implementation either before or after an overall political settlement is achieved. If you expand Greek-Turkish reapproachment into the military arena, this architecture could create the needed impetus to move forward on the political, economic, legal and social dimensions of the Cyprus problem. This architecture should eliminate the offensive military capabilities on both sides, it should equalize Greek and Turkish mainland units to brigade level, it should replace UNFICYP, which is a U.N. peacekeeping force, with a NATO-led unit, and it should put all military forces, other than the British sovereign base areas, under a single commander from a NATO country.

It'll take compromise and adjustments on both sides of Nicosia's Green Line to successfully negotiate Cyprus' accession into the EU in a manner that promotes regional peace, stability and economic development, but then compromise is what democracies are all about.

Now, I mentioned I was going to close with another quote from my favorite philosopher, Yogi Berra, and it is this one: "It's tough to make predictions, especially about the future." I can say that about Cyprus, I'm afraid.

Ladies and gentlemen, let me end here. I thank you for your attention and look forward to your questions. Thank you.

Mr. MCNAMARA. Thank you very much, gentlemen. I really appreciate the various nuanced approaches that each of you have presented.

There are a couple of questions that come to my mind, but before proceeding with my own questions, I will open it to the floor. Again, if you could approach the microphone and indicate your name and any affiliation that you have and there will be a list for you to—no. Hopefully, everyone has signed in, so this would be an encouragement for you to do so so that your name will be correctly spelled in our transcript which will again be available tomorrow afternoon.

Mr. MCNAMARA. So the floor is open for your questions. Please indicate which of the panelists or all of the panelists that you're interested in having respond to your question. Thank you.

QUESTIONER. Hello. My name is Sharon Morrison, and I'm from the National Press Club. I would like to ask Mr. Gordon, do you feel that Cyprus should be a two-nation island, much in the manner of Haiti and the Dominican Republic, which form the island of Hispanola in the Caribbean?

Mr. GORDON. Can I answer that right away?

Mr. MCNAMARA. Sure.

Mr. GORDON. I think first of all, hardly being an expert on the island of Hispanola and the Caribbean, I do not think such comparisons are useful. Indeed terminology is always a problem in the Cyprus issue. The more we get stuck on whether Cyprus should be a two-nation island on the model of this or a federation or a confederation, it takes—it creates more problems than it solves. So, I do not think—there is not going to be a perfect model for the Cyprus issue. I think it was right to be creative in 1960 in the first place, and people tried to recognize the unique aspects of the Cyprus issue.

I do not think—obviously you can draw lessons from Belgium and other places where people have tried to find a way for different communities to share the same place, lessons from the Balkans where we tried to come up with a model for Bosnia, lessons from the Balkans now where we try to come up with a model between Serbia and Montenegro. But every case is different. I just do not think it is helpful to try to label it two nations or whatever.

So the issue is how can you find a way for these people, all of whom have the absolute right to live on the island and to live in security on the island—how can you find a way for them to do so in a mutually agreeable fashion.

QUESTIONER. I will have two questions. First will be directed to you, Mr. McNamara.

Mr. MCNAMARA. Your name please.

QUESTIONER. [inaudible]. I am first secretary at the Turkish embassy.

Sir, have you ever read the U.N. documents or bimonthly reports of the president to the Congress? U.N. documents...

Mr. MCNAMARA. On? No, I haven't, myself.

QUESTIONER. It's understandable because you mention that the leader of the occupied northern zone. In none of the U.N. documents or president's bimonthly reports, there is a definition for President Denktash as the leader of the occupied northern zone. So I want to correct this mistake first.

Mr. MCNAMARA. OK, I never made such a mention myself in my remarks.

QUESTIONER. I mean maybe the organizers of this briefing, but this is an important point.

Secondly for the panelists, all the panelists talk about—use the term of "threat of annexation" of Turkey the northern island. Let me be clear. We never said "annexation." We just said "integration of the island." If a possible solution will not be reached and the Greek Cypriots will be accessed, there will be annexation of the Greek Cypriot administration to the European Union.

It is really important terminology. Please give me the chance to correct the mistake, again. Turkey's position is very clear, and why we use the term of integration is also clear. If the Greek Cypriot administration will be admitted to the European Union, it will mean that the Greek Cypriots will be integrated with the Greek government through EU. So our position is clear: not annexation but rather integration. Thank you.

Mr. MCNAMARA. Would the panelists like to respond?

Mr. NORTON. I might just make a comment on the term "annexation." I do not know exactly how your country would react if the south part of the island joins the European Union. My understanding is that there would be annexation or some type of integration which could be taking the EU accession document for the south, and using a copy of that for making a Turkish economic union between your country and North Cyprus. So it could be an economic integration, it could be—it could take many forms, but I think the end result is you've got more or less a permanent division.

Mr. GORDON. Just a word. First, you could correct me. I thought Prime Minister Ecevit actually did say all options would be open a couple of months ago, including annexation, without specifically threatening annexation. I thought that was one thing that had actually been officially been put on the table, in the "all options would be open" category.

Having said that, I take your point. Most Turks talk about integration, but my only comment about that is it already exists. We have to find a way to talk about these things that doesn't sound like retaliation and aggression against the other side.

That's why annexation is an awkward word, and would result even in real problems here just because of the international law and the acceptance of annexed territories as problematic. But integration—northern Cyprus is deeply integrated with Turkey already, economically, militarily, politically, diplomatically.

So that exists: it is going to continue to exist, and I think both sides need to find a way to talk about these things that doesn't sound like some aggressive retaliatory action against the other side. It is true not just for the Turkish side but for the Greek and the Greek Cypriot side as well.

I hope that if Cyprus joins before there is a deal on the island, that the EU and Greece and Greek Cypriots will be prepared to say, "We regret that there wasn't a deal on the island at present, but we look forward to the day when there will be reconciliation and a deal on the island," rather than slamming the door shut and throwing it in the face of the other side.

Mr. MCNAMARA. Thank you.

Doug or Ian?

Mr. BANDOW. Ankara needs to recognize that however it terms its action, if it does something if the talks fail and the Republic of Cyprus goes into the EU, it will be perceived by Europe, by the United States and by the West as retaliation. Whether it be annexation or something else, it will have significant consequences in terms of relations with Turkey.

Now, I do not think that this can be solved by the words that are used. It's going to have a significant impact on many relationships.

The second issue, which I think is quite interesting, is the question of what the Turkish Cypriots actually want. Turkish Cypriots with whom I've talked have a real queasiness about being subsumed within a very large Turkey. I think again, ultimately the decisions have got to be made by Cypriots. One wants to try to disentangle it to the extent one can from what Greece and Turkey may themselves want. It's not at all clear to me that Turkish Cypriots would be as excited about the possibility of a much closer and tighter relationship with Turkey as perhaps Turkey would in that situation.

Mr. LESSER. Well, just very briefly, I personally agree with everything that's been said. It may very well be that as a part of the official discourse the term "annexation" is not used. But certainly in terms of the foreign policy debate in Turkey you can read columns everyday where this term is used.

Now, of course, there is a difference between public debate and the government's own terminology, but I think Phil's point is absolutely correct. The language—the way you talk about these things will matter. The question of what might happen if Cyprus comes into the EU without a settlement, you know needs to be considered very carefully.

To make permanent what exists today—it is already highly integrated I agree with that—would send a very clear signal.

I think the real action here frankly in that case is not so much about simply what Turkey says about the Cyprus developments, but rather what Turkey and the EU do after that. We haven't really talked about this, but there have been a number of suggestions about things that might be done between Turkey and the European Union to restore some momentum in Turkish-EU relations that might help, and to keep the door open as well.

Mr. MCNAMARA. Thank you.

QUESTIONER. Lambros Papantoniou, correspondent of a Greek daily newspaper *Elettheros Typos*.

To Mr. Philip Gordon: How divided or united Cyprus into the EU system serves the U.S. interest? Number two, how the United States could avoid another crisis in Cyprus until the circumstances you mentioned are evident? Do you have any practical way in your mind seeing the deadline is approaching December 2002?

Mr. GORDON. Sorry, could you repeat the last bit?

QUESTIONER. The last question is how the United States could avoid another crisis in Cyprus until the circumstances you mention evident seeing the deadline is approaching December 2002?

Mr. GORDON. On the first—of how divided Cyprus serves U.S. interests or overcoming a division serves U.S. interests—I think Colonel Norton and I both outlined all of the ways that this is high stakes for the United States; that a solution on Cyprus—again, you have two possible courses of action here. One is an agreement on the island which does an awful lot to continue to foster Greece-Turkey ties, which we should all remember we are actually very good before the Cyprus issue. Among other things, but more than anything, the Cyprus issue started to stand between them and raise differing issues of ethnicity and problems between the two countries.

Getting the Cyprus issue out of the way opens up enormous prospects for continued Greece-Turkey relations which again as I think we outlined leads to stability in the Mediterranean, lowered defense budgets, better prospects for Turkey joining the EU, which in

turn lead to Turkish internal reform of the sort that I think Greece and the United States and the Europeans want to see.

Don't forget that to the extent that Turkey has made internal reform progress over the past couple of years, much of it has been driven by its own incentive to join the EU. If that were to end, so would the prospects for that internal reform.

So I think Greece itself and Cyprus have an enormous interest in keeping Turkey's EU prospects alive. I fear that failure to resolve appropriately the Cyprus question could lead Turkey to simply say, "Forget it." Then we see the negative spiral of Turkey doing things that are perceived at least to be aggressive from the other side, the other side retaliates, and then I think we got a big problem.

That's why the Cyprus issue for the United States goes well beyond Cyprus borders. It is no longer an island with fewer than a million people. It is about Turkey with nearly $70 billion strategic interests in the United States and all the rest. That's why I think we have an enormous stake in seeing this problem resolved.

Then your second question I do not know about how to avoid this crisis. I mean that's what we are all here for—that we see this clock ticking. We see the prospect for this going the wrong way if there is not a deal by December. All we can do is—you know, some of the steps I tried to outline, but at the end of the day repeating again that it is up to these parties.

But it should not be impossible, because their own interests are at stake. I mean every single party involved in this, Turkish Cypriots, Greek Cypriots, Greece, Turkey, EU and us are worse off if this is not resolved by December and there is a crisis. It's a symbol that every single party would lose from this, because of all the reasons that the tensions the economic.

At the same time, the obverse is true. A deal on this island, even if it were to require painful compromises by both sides on questions of territory, refugees, autonomy and all the rest, even after those painful consequences, once you had the peace and the prosperity and the stability, all of that would overwhelm whatever concessions were made in the first place.

QUESTIONER. In such a crisis, would you predict any NATO involvement?

Mr. GORDON. Any NATO involvement in the crisis? Not in the sense of NATO using military forces or threats one way or another. I do not foresee that at all in this context.

But I do see how this problem spills over to affect NATO; that is to say NATO is not going to effect Cyprus, but Cyprus could easily affect NATO. As you know, we are trying to work out this very complicated arrangement between NATO and the European Union in terms of defense and security. Greece and Turkey are the critical actors in that regard. We have already done it for years. And it still blocks the relationship between NATO and the EU.

You noticed that although you had this agreement with the Turks now, Greece has not signed onto it, and I'm sure it will be held in check until this problem is dealt with as well. Enough I think that without faulting the Cyprus problem it spills over onto NATO, EU and there is all sorts of negative consequences of that. So it is not good for NATO either.

QUESTIONER. Thank you.

QUESTIONER. Hello. My name is Osman Ertug. I am the representative of the Turkish Republic of Northern Cyprus. I know that even the very mention of this name creates

some controversy, but this is what I am. All the rights of the Turkish Cypriots are embodied in this state that we call the TRNC.

I thank you for—to all the panelists. You know, I thank all of them for trying to be impartial on this very complex and longstanding issue. Naturally there are some terms that they—some terminology, some concepts that they have used which create a certain amount of sensitivity on the Turkish Cypriot side. Unless we correct this, I do not think we are going to have a complete grasp of the Cyprus question.

One of them is to depict the Turkish Cypriot as a minority. We are not a minority in Cyprus, and I'm just asking the panelists, especially Mr. Bandow, whether he's aware that the United Nations Secretary General, in his report of 8 March 1990, describes the relationship of the two communities in Cyprus not as one of majority and minority, but one of two equals. This was later translated into the set of ideas of 1992, and it has ever since been repeated in and endorsed by relevant Security Council resolutions.

Secondly, to identify the Cyprus issue as a 25-year-old division, I believe, is equally harmful and equally wrong.

This question goes way back to 1963. I am not here to engage in a blame game on anybody. But the presence of a U.N. peacekeeping force in Cyprus since March 1964 indicates that there has been a problem that the real division, the seeds of division and the physical division started in Cyprus way back then. I am just also asking the panelists if they would comment on this, because otherwise the Turkish Cypriots will feel that there is a double-standard being employed against them, that their sufferings between '62 through '74 are just being neglected.

I also want to ask Mr. Phil Gordon a question regarding this so-called constructive ambiguity. Now, I know that this work was probably invented by and mentioned to me way back in the '90s. I think it is a British invention, basically. I know that it is ambiguous. I do not know how constructive it is, because when Greece is—as a member of the club, as a member of the European Union—is able to override any kind of objection to Cyprus, quote-unquote, "joining the European Union before a settlement is reached," then how can it be ambiguous for anybody? We know that this so-called ambiguity can be easily overcome because Greece has the right to a veto. No one has asked Greece to resolve the Cyprus issue before entering the European Union. "Well, that is tough," we are told. Fine.

But now, south Cyprus is about to join the European Union. Is anybody telling them—just like they are telling Turkey and to the Turkish Cypriots, is anybody telling them that they have to resolve the Cyprus issue before Cyprus, as such, enters the European Union?

Thank you.

Mr. BANDOW. When I referred to the Turkish Cypriots as a minority, in fact I'm going back to 1963. What I found in talking with Turkish Cypriots is a very serious, very genuine concern over their security based upon living on an island where the overwhelming majority of people are Greek Cypriots. In my view, those fears have to be addressed. Any kind of solution to the problem of Cyprus has to take into account those fears. I think that's why we are talking about some sort of bizonal solution. That's where the fear comes in and having a simply unitary state and an island in which there is free mobility.

So when I say minority, I'm putting it in the context of looking at numbers of people on the island and how you come up with a political solution, which assures that Turkish Cypriots feel that they, in fact, have equality and that their interests will be protected. So in that sense, I'm looking back, frankly, to 1963.

Clearly the problem goes before 1974 and the history that I referred to has to be taken into account in any kind of solution. This is an issue which makes the solution very hard. Greek Cypriots focus much more in terms of property restitution and in terms of refugees and mobility. Turkish Cypriots focus much more in terms of personal security and their own community's security. One has to come up, then, with a solution that addresses both communities' concerns, which here are rather divergent.

MR. LESSER. Well, let me just make a comment provoked a little bit by what you said—or suggested, I should say.

You know, that we have spoken a lot about the parameters around the possible settlement. There are issues about the society itself on the island that are worth considering. There have been many polls done and they show very clearly, that communities—actually both communities are highly supportive of the idea of membership in the European Union. I think we should not forget that. I think that needs to be—that aspiration toward Europe needs to be part of American policy, as well. We have a very high stake in resolution of the problem and in a settlement.

But I think we also have a stake in seeing Cyprus as a society—both communities actually—seeing its integration in Europe as part of a larger and more stable continent and a larger and more stable eastern Mediterranean. So I think we need to focus on that, as well.

QUESTIONER. Thank you.

Mr. GORDON. Well, I will just try to deal with the issue of ambiguity. We have a real problem. There are only three somewhat logical choices for the United States on the issue of Cyprus' membership. To me the constructive ambiguity becomes the best of three bad ones.

Either we say, "No ambiguity at all. Cyprus can get in no matter whether there is a solution or not." If you do that, you take away any incentive from the Greek Cypriots to cut a deal. Why should they? They are getting in anyway and then they can take advantage of this to, sort of, say, "Turkey is occupying our country." That doesn't seem to me to be the right approach.

At the same time for everyone to say, "No matter what, Cyprus can't get into the EU," again, that's problematic, because then you're taking any incentive away from the Turkish Cypriot side to cut a deal so that they could also get in. You're forever telling the Greek Cypriot side that no matter what they do, they are not going to get into the EU.

Where does that leave you? It leaves you with an approach that I think the EU tried to adopt at Helsinki, though, as I suggested myself, it is, sort of, skirting away from now, which is to say that it is going to depend. I think this needs to be said to both sides. We are actually going to look at who is doing what toward fostering a solution and promoting a solution. If one side or the other is doing nothing and seems to be unprepared to do anything to contribute, then their side of the argument is not going to be heard.

None of these are perfect outcomes, but we might as well try to make the best of this process that is going on in maintaining that ambiguity. That's why I say it applies to both sides and I think it would be wrong to do what the EU's coming awfully close to doing, which is saying that no matter what happens—and that's why I repeat what I said before: The best way for the Turkish Cypriots side, it seems to me, to prevent what they do not want to see, which is an EU basically saying Cyprus can get in, is to be forthcoming.

I think you would see an interesting dynamic in the EU as we get closer to this deadline if the Turkish Cypriot side starts putting forward things that appear to the United

States and the EU as really constructive steps toward a Cyprus settlement, I think you'd see an interesting reaction on the EU side.

Mr. NORTON. First, let me just mention one thing on history, since you raised dates. This will be very short, but since I have been involved with Cyprus—and it goes back some time—clearly, if I'm talking to a Greek or a Greek Cypriot, the history goes back to '74 and that's, kind of, the starting point. If I'm talking to a Turk or a Turkish Cypriot, it goes back to '63. That's, kind of, the starting point. If I'm talking to a Brit, it does back to the mid-1950s. So, it really depends.

I think all the dates are important because significant things happened on those dates. It's important to look at why these are important for all the groups involved, understand the history, but then we need to look forward.

QUESTIONER. What I would like to say is—it is a follow-up to Mr. Lesser's remarks about the European Union, and I want to make a correction on what I said myself, and that is that the Turkish Cypriots—and I want to make this very clear—the Turkish Cypriots are not against European Union membership. But in a recent poll—and you referred to polls—45 percent of them said that they would accept entry into the European Union after a settlement is reached. Another 45 percent said that after a settlement and after Turkey's own membership or simultaneous to Turkey's membership.

Now, that comes to about 90 percent of the people in northern Cyprus are saying that a settlement must come first and European Union membership must come afterwards. Now, Turkey since—and we, in consultation with Turkey—have shown flexibility that if Turkey's rights and privileges and interests are protected over Cyprus, Turkey is not going to oppose Cyprus' entry after a settlement. But the Turkish position, and I think it is a justified one, is that settlement must come first. That's a very important criteria. It satisfies that we are not against Cyprus joining the European Union.

Otherwise, I do not think we will be the ones to bear the burden—the historic burden of having divided Cyprus forever, it will be the European Union, because the borders of Europe now pass through the Green Line without a settlement, because the question arises, what will they do with the north? What will happen to the north once south Cyprus joins?

Because this is a unilateral application; you have to remember that. We have not applied. Turkish Cypriots have not applied. It is the Greek side which has applied unilaterally. If they can decide this issue of Cyprus by themselves, what is there any need for to try to negotiate a deal with them so that we can determine the future of Cyprus together rather than unilaterally? This is the burning question, I believe.

Thank you.

Mr. LESSER. Thank you for your comments.

You know, I would just very simply say, I think it is constructive to think about the extent to which Cypriots themselves, in both communities, have interests that are independent of their respective patrons, Greece and Turkey. There is a lot of convergence, but there are some areas where perhaps the interests are not completely convergent.

One thing that we all need to be more comfortable with is the idea that Cyprus can, in fact, go into the European Union in a different sort of time frame than we can envision for Turkey. There would be nothing wrong with that. That is something I think is quite difficult for many people to understand but it may be helpful to acknowledge.

Mr. MCNAMARA. Thank you.

Any other panelists?

Mr. NORTON. If I may. I understand your point; I understand the Greek Cypriots' point. But I want to come back to the point in my presentation: why is this important for the United States? I understand the predicament that you're in, but what I'm trying to say is that the future of Cyprus really impacts many U.S. interests. While you're in a certain situation, I think no matter how you got there, we want to jump in a little bit more than we have been to work with all parties to make sure that all this bad stuff doesn't happen at the end of the year 2002. There is just too much at stake here. There is just too much at stake. We need to figure out how to get around these hurdles.

Mr. MCNAMARA. Thank you.

QUESTIONER. To all the panelists and the Turkish present officials, I would like to know, after 27 years of Turkish invasion and occupation of the Republic of Cyprus and also for the negotiation of how more time do you need to reach an agreement? Meanwhile, could you please clarify as far as for the majority and the minority on a percentage basis, how many Greek Cypriots and Turkish Cypriots are in the Republic of Cyprus?

Mr. MCNAMARA. If I could jump in here, because there are a couple of points that have been brought up, and I wonder if the panelists perhaps in responding to the most recent question could touch on these. There have been several references to ticking clocks as it were. One of the clocks that I've had in mind in the lead-up to our visit and definitely one that impressed me while I was there was the changing demographics of the island.

I wonder to what extent there is any sunlight between, if you will, indigenous Turkish Cypriot views and those who are more recent Turkish residents on the island.

There has been also a reference to historical figures, including President Clerides and Mr. Denktash. But there is at least one other historic figure that comes to mind, the Prime Minister then and now.

I guess that raises the question in my mind in terms of in the talks to what extent do the Turkish Cypriots—are they in the driver's seat, or what the dynamics are in that regard, in terms of the historic figures on the Turkish side of the equation.

Mr. GORDON. There are issues from the floor to answer and then also yours. I do not want to get into the question of driver's seat, but it is obvious that Ankara's an important player in this regard. What I wanted to comment on the discussion of majority/minority, and then the 27 years thing.

People—the word "acknowledgment" comes up a lot in the context of Cyprus, and it is usually talked about in terms of acknowledging the Turkish Cypriot administration or autonomy or sovereignty in the north or whatever, but I think it is important in another sense, and people on Cyprus need to acknowledge several things that I do not think do come across.

One is on this question of majority/minority. Osman Ertug raised this question in terms of the use of "minority." In casual language, it obviously has a different meaning than in formal legalistic language. I think it is perfectly appropriate to talk about a Turkish Cypriot minority in the way we often use the word. There are fewer Turkish Cypriots than there are Greek Cypriots. But I think at the same time, Turkish Cypriots should and I think do acknowledge that, just in terms of numbers. It's a minority in the casual use of the word.

At the same time, though, I think it is very important for Greek Cypriots and others to acknowledge that minority can't be taken to mean—the numerical minority can't be taken to mean therefore that Cyprus is a Greek Cypriot island that is recognizing some minority and which it'll give a little bit of influence over the state of affairs.

Mr. GORDON. I think historically the deal on independence was recognition of two communities; that not one would be a minority on the island of the island, but that would be a community sharing in the government just like the other. I think unless Greek Cypriots are prepared to acknowledge that, we do not move forward on this issue.

Both sides need to do some acknowledging here. Turkish Cypriots need to acknowledge the reality that there are a lot fewer of them than Greek Cypriots, but I think at the same time Greek Cypriots need to acknowledge that it is not a Greek Cypriot island on which there is a minority in that sense of the term.

I think the same is true regarding history, and we talked about it. I think you're absolutely right. Which dates do you want to remember? Each side only remembers the dates that are most dear to them or when they were most aggrieved. But until we can get around that sort of acknowledgment, as well—and I think Greek Cypriots would do themselves an enormous service by acknowledging the problems that were on the island in the '60s and until 1974. Until this sort of acknowledgment takes place, it leads me to remain pessimistic about the prospect for a solution.

Mr. LESSER. Perhaps I could just add something on this question of demographics. I think there is another sense in which a clock has been ticking for some time. It has to do with Cypriot identity.

There is a demographic reality that probably we could agree on. For many, many years, younger, educated Cypriots from the Turkish community have been leaving the island. They are going to London and other places in large numbers, because there is a lack of opportunity for them on the island. That problem will continue, and worsen, it seems to me, the longer the current situation stays as it is. If there is a hope of rebuilding a kind of Cypriot identity—a Cypriot identify between the communities—I think that the best hope actually lies in European integration, for the entire island. That would in itself be stabilizing.

Mr. MCNAMARA. Doug?

Mr. BANDOW. It strikes me that there are two sets of deadlines, one of which is the immediate, whether we call it June or December. We have a problem here. On the one hand, deadlines are important to try to force people to negotiate seriously and come up with a solution. On the other hand, if they fail to do so, one doesn't want to create an explosion and a crisis by having that artificial deadline. So we need to find some way to maintain the pressure but to be able to back out if that pressure doesn't work to give us an agreement.

Over the long term there are some important deadlines. Demographics is one, the changing character of the Turkish Cypriot community, and in a larger sense of what that would mean for any kind of Cyprus agreement, and what one then has out of a Cyprus agreement, what Cyprus looks like. Also the question of the figures passing from the scene. In terms of Greece, in many ways, the figures are gone, the colonels are long gone and many have died and they are history. But certainly Mr. Ecevit, in terms of Turkey, and also Clerides and Denktash for Cyprus, we are talking about figures who have been integrally involved in this issue for many years. The question of what happens, can they bring the solution, and if they do not, what happens with succeeding generations, is a very interesting issue and one that's affected by demographics. What does the new leadership want to do? How do they see a solution?

QUESTIONER. My name is Boyes, and I work at CSIS. My question is going to be addressed to Mr. Gordon, although other panelists obviously could jump in and take the question.

I think that all the panelists addressed quite adequately, I should say, why Turkey should strike a deal in Cyprus and what are the incentives for Turkey, the most important one being, obviously, Turkey's aspirations to join the EU.

Now, obviously one must think of the other side of the equation as well, and that's the one that's been neglected in the panel mostly. What are the incentives for Greece, do you think, are there, given that Greece is already in the EU and Greece already has bilateral relations with Turkey? Even though we talk of detente it cannot be defined of a good relation with Turkey.

So what are the incentives are there for Greece to strike a deal in Cyprus?

Another question that would be a follow-up on that is, you also mentioned that U.S. would take certain political actions in terms of if Turkey would come with a reasonable idea on Cyprus deal and Greece would not do anything on that. So I was wondering if you have any concrete ideas on what the United States would do on that.

Thank you.

Mr. GORDON. Again, I think we have suggested some of these things before. I think the incentives for Greece and the potential gains for Greece on the deal on Cyprus are enormous, and we have mentioned several of them. I would add that I think the Greeks recognize this. I think many in Greece realize how much they would benefit from a deal on Cyprus.

We have mentioned before, Greece-Turkey relations, you say that they are still rocky and there are problems indeed, but they could get a lot worse. I think Greece and much of the current Greek government recognize the fact that this could be a path to better Greece-Turkey relations, which would have an enormous effect on the Greek economy and Greek security to have better relations with Turkey that would stem from this.

As I mentioned before, the reform prospect in Turkey, I think Greece understands that its own interest is in a European-oriented Turkey. Like all these things, you can put it the other way around, that it has an enormous incentive to avoid a Turkey that is in tension with the EU, tension over Cyprus, and angry at the EU and Greece and everyone else. This is just such an overwhelming Greek interest that it seems to me that difficult compromises on the Cyprus issue in order to foster such a relationship are overwhelmingly in Greece's interest.

The fact is that the Cyprus problem has been a thorn in Greece's side and a problem for Greece-American, Greece-Turkey and Greece-Europe relations for decades, and that to remove that thorn is manifestly in Greece's interest. As I say, I think most Greeks recognize that.

Then you asked me specifically what I meant by how a positive and forthcoming Turkish Cypriot and Turkish attitude on Cyprus could affect the EU or the United States. I think that whereas at present the EU seems perfectly prepared to take in Cyprus without a deal, as I mentioned before, one reason for that seems to me to be the Turkish Cypriot attitude.

When Denktash walked away from the talks, it led even those countries that were hesitating, "Do we really want to do this?" They said, "Look, what can we do if they are not even prepared to talk?" I think this was more tactical than substantive, but it had a real effect. It led even those waverers in the EU and the United States—it was hard, if you

wanted to take the position that Cyprus should not be allowed in the EU, it was hard to make that argument when the Turkish-Cypriot side seemed to be intransigent in saying, "We have got preconditions, we are not even going to talk unless certain things are met."

Mr. GORDON. If that Turkish Cypriot position changed and they started putting things on the table, either in private or in public, that really seem to be genuine steps toward a Cyprus settlement, a real preparedness to see a deal, I think that you would then get significant pressure from the United States and the EU on the Greek side to cut that deal. The absence of that could affect its prospects for getting into the EU.

Mr. MCNAMARA. Colonel Norton?

Mr. NORTON. I'd like to echo very much the comments made by Phil Gordon. I agree 100 percent and would like to make them even stronger, if I can.

You said, "What's the incentive for Greece?" I would say let's look at the Greek security situation today. It's got probably the largest percent of its GNP going for defense of any European country. It's got universal conscription. It's concerned about threats from Turkey for its islands and other issues. It doesn't feel very secure in some areas.

Let's say Cyprus goes down the tubes, how is Greece going to feel then? What's going to happen in the Aegean if problems continue in Cyprus? What's going to happen in Cyprus itself? What's going to happen to the defense budget? What's going to happen to all of the issues that Greece and Turkey have in the Aegean? They are all—I think they are all going to get worse.

If I were Greece, I would be the most interested party in doing whatever I could to make reasonable compromises with Turkey over the future of the region.

It's got the most to gain and the most to lose, in my opinion.

Mr. GORDON. May I add one other word to this, which is somebody other than us needs to start saying these things. I mean it is all very well for Americans to sit up here and talk about this vision for the region and how it would benefit Greece and Cyprus and all of the rest. But until some leaders on Cyprus on both sides and Greece and Turkey start outlining these visions—and I think some leaders have. I think what Foreign Minister Papandreou has done in terms of a vision for relations with Turkey has been enormously beneficial.

I think we need to start hearing some of that on Cyprus itself and for the leaders, because how do you expect the populations to push for a deal if leaders are only encouraging them to see the worst of the other side? Let's see some bold leadership and have leaders telling their populations what they have to gain for this sort of deal.

One of my hopes is that if Cyprus does get into the EU, even absence of a deal, that Greek Cypriot leaders will use this as an opportunity to be magnanimous. Instead of blaming the other side and accusing it of all sorts of things, in its newly secure position, it can start acknowledging some of the things that I talked about and start holding out a vision for the other side, that it might actually be willing to grasp.

Mr. MCNAMARA. Doug?

Mr. BANDOW. I think that Steve has highlighted some very important issues that lie between Greece and Turkey, that a settlement of Cyprus removes the main stumbling block to better relations. Everything from the status of the Orthodox community within Turkey to Law of the Sea Treaty and the sea boundaries and Aegean overflight and military budget, all these things suddenly become much easier for Greece.

As long as you have problems with Turkey over Cyprus, all of those issues remain in contention. All of them remain very difficult to deal with and threaten ultimately to a number of interests of Greece.

Mr. MCNAMARA. Ian, did you have anything to add?

Mr. LESSER. I agree with that. A settlement would enormously simplify the process of consolidating Greek-Turkish detente. It simply would. You will have addressed one of the key core issues. It will make it that much easier to talk about the Aegean, and it will defuse—and I think this is very important from the point of view of politicians on both sides who are interested in reconciliation—it will help defuse the nationalist impulse that is so much part of this equation for both countries.

Actually there has been considerable movement in the debates in both Greece and Turkey about the Cyprus issue. You now hear people in both countries, especially in Turkey recently where I think the change has been pronounced, but it is in both countries, saying things today that you never would have heard a decade ago. People talk about decoupling, they talk about all sorts of things that would have been impossible to talk about a few years ago.

So I think the debate has changed, the time is ripe, the politicians need to change the discourse.

QUESTIONER. I am Arjan Ajankarakuch. I am an intern in the Assembly of Turkish-American Associations.

My question for all panelists. My question is why should the island be joined together? After all, as it is well known, the two peoples are culturally separate, speak two different languages, religiously polarized and have deep historical problems? Would it not be easier to allow more time Cyprus to grow economically by lifting the trade embargo and then accepting its independence with an eye to eventual EU integration?

Thank you.

Mr. MCNAMARA. Doug?

Mr. BANDOW. At some level I'm quite willing to say people can configure their political arrangements however they want. I do not think, however, that one can do that in response to a military invasion. The problem here is to finalize and make permanent the results of a military invasion. That's the problem we are dealing with, and I do not see how one can view that as an acceptable method of resolving the issue.

What we need to find is a solution of peoples on both sides in terms of an island that until '74 was in some sense at least viewed as a community—I mean, a common nation. Despite all of the problems, which clearly went back into the '60s, there was still a vision of some sense of commonality of a political community. You cannot let that be resolved through military means.

Mr. MCNAMARA. Ian?

Mr. LESSER. My answer to that simply is that both communities want a settlement, they want a degree of integration that lets them both become more prosperous, more stable and more secure.

I agree, they should be allowed to order their society as they wish, but it seems to me the aspirations are very much in the direction of a settlement and integration.

Mr. MCNAMARA. Philip or...

Mr. GORDON. I think there is something legitimate to the question. We are always quick to react to it and denounce this notion of separateness. There is something legitimate to the question. I think that's the way people see it.

I do not think anyone imagines, and I think they would be wrong to imagine, that the solution to the Cyprus problem is in starting over. Let's mix everyone all up again and insist that they live together.

You know, I think that was tried. It didn't work. There is little prospect that it would work really well now, but that's not what we are talking about. I do not think anybody's talking about that and say, "Let's just have one man one vote and everyone live together and by golly, you really have to live together."

The international community is not so bad at recognizing sometimes the need for creative solutions. I mean look at what we did in Bosnia. There it was a minimum request. It was, "OK, you can have your separate entities and almost separate governments. All we ask is a chapeau. It's going to be one country. As much as possible, it is going to be people who can move back and live where they want."

So I do not think that anyone is insisting here that you're not going to acknowledge the two communities and their rights to live and even have separate administrations for so many important things.

Even the Greek Cypriot side has accepted so much more than was ever conceivable before in terms of devolution and regional autonomy.

So that's why I think there is something legitimate to the question and also that nobody is asking for much more than that. It's a pretty minimal request to have a chapeau on the top with certain powers.

Mr. MCNAMARA. Steve?

Mr. NORTON. I think I would answer the question this way: Why should you rejoin? I would say you do that because economically you're better off. NATO is stronger. The relations between Greece and Turkey are better. And U.S. interests are protected in the region. That's why I would do it.

QUESTIONER. Mariam Kaylam, the first secretary of the embassy of the Republic of Cyprus. First of all, I would like to thank all of the panelists for a very constructive analysis of the different implications of the different scenarios.

And I do not want to make any questions. I just want to set something straight. I do not mean to get involved into any argument or discussion.

There was mention about the Greek Cypriot administration. I just want to make it clear if we are going to use the terminology of the U.N. resolutions and the U.N. documents, which we very much welcome, it is not the Greek Cypriot administration. It's the government of the Republic of Cyprus. And it is the only legal government representing the island of Cyprus.

The other thing I would like to say is that the government of Cyprus and the Greek Cypriots do not have a selective memory. We do have a collective memory. We do remember the whole history of the island. It's just people tend to remember what was more painful for them.

The other thing I would like to state is the government applied rightly to join the European Union. Well, the European Union wouldn't have accepted the application if it wasn't OK for Cyprus to apply. But we also did extend—President Clerides did extend an invitation to the Turkish Cypriots to join us in the negotiation process for accession to the EU, but it was rejected.

Finally, I just wanted to say that we would welcome the Turkish Cypriot community to join us in the negotiations. We do look forward to a reunited Cyprus as a member of the EU. We would like to forget the past and look at the future.

Thank you.

QUESTIONER. Wayne Merry, American Foreign Policy Council.

Colonel Norton's testimony reminds me of my own chiropractor in Athens, who was a Greek Cypriot and who in our first session had her hands on my upper spine, as yours did on yours, and who then asked me whether I was pro-PASOK or pro-New Democracy.

[Laughter.]

Mr. NORTON. It should have been an easy one to answer, I think.

QUESTIONER. I was briefly tempted to express support for the KKE, but I did follow your example.

[Laughter.]

I would like to ask the panelists to address two issues in the context of the stated purpose of this briefing, which is assuming that the talks fail and assuming that Cyprus enters the European Union as a divided island.

The first one is the issue which was always in the background for many European Union countries that didn't even want to address the question of Cypriot entry until the Cyprus question had been resolved, which is can a country become an accessionary to the Treaty of Rome without exercising sovereignty over all of its national territory? Particularly as the European Union is a process of surrenders of sovereignty and of shared national sovereignty, you're going to have a situation in which a new member state will not be able to exercise the elements of the aquis throughout a significant part of its national territory. Particularly in the aftermath of the Treaty of Amsterdam, when the Schengen regime is now a non-derrogable part of the aquis, you will have a government that will not be able to exercise those elements on a significant part of its national territory.

I'd like to get your thoughts about what the consequences of that are in legal terms for the structures of the European Union.

Secondly, we will face a situation in which one European Union member state will be occupying a significant part of the territory of another EU member state. I refer to the sovereign base areas.

No one has addressed the issue as to whether or not a settlement of the Cyprus question should include both anomalies of the Cyprus issue, the second being the existence of the post-colonial sovereign base areas.

At a time when Britain is even actively discussing with Spain doing something about Gibraltar, is it not time for Britain to look toward making a contribution to a resolution of the Cyprus issue by abandoning the SBAs?

Mr. MCNAMARA. Ian?

Mr. LESSER. Thank you. I think, frankly, that both of those issues are extremely interesting and can be dealt with readily. I think there is an understanding that just as Germany was able to function within the European Union without having the ability to apply the EU aquis in East Germany, it is quite possible for Cyprus to be within the European Union without having the ability to apply the aquis in the north.

I think that's essentially understood.

On Schengen, well, yes. One of the ironies of the security situation in Cyprus today is that, in fact, the Republic of Cyprus would be in a very good position to apply the Schengen provisions, because, in fact, it is a very tightly controlled border.

[Laughter.] [Audio gap.]

Mr. MCNAMARA. We seem to have overcome this technical difficulty.

Mr. MCNAMARA. Perhaps it is an inducement for us to keep our responses somewhat brief. But I think Ian was about to share some views on the last point.

Mr. LESSER. On the sovereign bases—I can well imagine the situation in which somehow those bases are put at the service of, for example, new European defense initiatives and arrangements. I think, in fact, that idea's been mentioned already. Could be rather useful.

But I do not view these issues as show-stoppers in any sense.

Mr. MCNAMARA. Any other views?

Mr. NORTON. Well, the Treaty of Rome I'm just not going to comment on. I just do not know.

On the sovereign base areas, however—and I worked on Cyprus for four years and I never really pictured the base areas as part and parcel of the problem, historical legacy, and that type of thing, and economic implications. But as far as the Cyprus problem is concerned, if they stayed or if they disappeared tomorrow, I do not see an impact one way or the other. I think it is a negative –correction, I mean a neutral.

Mr. GORDON. I mean, my only comment is, I agree with Ian that these are eminently oluble problems. The EU has been quite clear that it is willing to be very legally creative in order to facilitate a solution or to do with the issues. I'm sure there is no problem with derogations and that sort of thing.

To me, what's important is the way these things get talked about. I think it would be dangerous to allow ourselves and the EU to start talking about them, in terms of all of Cyprus coming in the EU and now a foreign power is occupying part of that EU, and that raises questions about ESDP and security policy. I think that would be a dangerous route to go down.

The EU is going to have to make it perfectly clear that if Cyprus does come in without a solution, that the acquis apply to the part that comes in and that more work needs to be done on the other, rather than leading us down a road where you get a security clash.

QUESTIONER. Thank you.

QUESTIONER. I'd like to clear up one point here. Our friend from Greek Cypriot administration representative, I have to say in that way because we do not recognize Greek Cypriot administration as a legitimate to its government all the island. First this issue.

And when I made a reference to U.N. documents, I simply raised my objection on the term on the definition used for President Denktash. I mean, in the [inaudible] read the [inaudible] it says that, "The leaders of the Republic of Cyprus and the occupied northern zone." I did not raise any objection about you using the term of the leader of the Republic of Cyprus. I just made a point about the leader, the definition, for Mr. Denktash as the leader of the occupied northern zone. That was my point.

Turkey does not recognize—I am making this point again—Turkey does not recognize the Greek administration as a legitimate government of the island. That's why I made reference to the U.N. documents. I did not—again, I am making this point—I did not raise any objection for you using the term of the Republic of Cyprus.

Thank you.

Mr. MCNAMARA. Your point is made.

QUESTIONER. To General Norton: General, most recently you proposed...

Mr. MCNAMARA. He's been elevated.

[Laughter.]

QUESTIONER. ... you proposed a claim of the creation of a unified force by Greek and Turk soldiers, 5,000 size, under control of a NATO country. Would you like to see that

happen prior or after the solution of Cyprus? In the meantime, do you think that this unified force will be in a position to prevent any crisis in the future?

Mr. NORTON. Thank you for the promotion.

I think the issue of security is very important. I think it is important, regardless whether you're a Greek Cypriot or a Turkish Cypriot, whether you're from Greece or Turkey. So, I would like to see some discussion and some arrangements made for a new security architecture that could take into account the realities of 2002.

If you had a solution this morning, if we got a phone call and they said, "Hey, there is a solution," you would need some interim security architecture to put in place right now; none exists. All you have is what's there now, which doesn't fit anybody's future outlook for what Cyprus should look like.

Nor can you go from what you've got today to nothing.

Mr. NORTON. You need steps along the way.

So what I was advocating was an interim step without a definite period of time which would remove all offensive weapons from the island. You do not need any offensive weapons on the island. But you need forces of equal strength at far reduced numbers, and I'm advocating putting all the forces—the Turkish forces in the north, Greeks in the south, and various troops, U.N.-like in the center, under one single commander from a NATO country. Not an easy step to get to, but those things could be worked on now.

Imagine, for example, if you're the NATO commander today in Cyprus: Let's say you're a major general from Italy. You have your meeting with your staff. The Turkish general comes to your table, the Greek general comes to your table, a German general comes to your table and an American colonel comes to your table, and you have your staff meeting to talk about the security situation which is really like a military police situation, no longer an offensive military kind of thing. You have everybody at the same table, focused on the same mission. You've got unity of effort and unity of command, something that hasn't happened in Cyprus for a long, long time. So that's what I'm saying.

One last point: You can make the architecture today. You could agree to implement it before a solution. You can agree to implement it after a solution. It doesn't matter either way. But I think if you come to an agreement, and it is known, and both Turkish Cypriots and Greek Cypriots could say, "Well, gee, if there is a solution, this is how my security would be protected for the foreseeable future. I'm happy with that. Let's get on with other issues then."

Mr. MCNAMARA. Would you prefer a federated or confederated Republic of Cyprus?

Mr. NORTON. Whatever the parties would agree to.

QUESTIONER. This is very easy answer. But what is your opinion?

PANELIST. My opinion is we want an arrangement which both parties find acceptable. My opinion as to what Cyprus should look like doesn't strike me as being terribly relevant. What matters is what Turkish and Greek Cypriots want the island to look like.

Mr. NORTON. I've been asked the question before, but I've always answered with another: "Give me your definition of those two words, and then I will give you my answer." Because they are not always the same.

Mr. MCNAMARA. Just perhaps one observation: When our delegation of Commissioners visited Cyprus in 1998, during one meeting, at least one leader proposed that really the solution was the deployment of a significant number of American forces on the island. That was something that didn't really resonate with the congressional participants in the delegation.

Nevertheless, I wonder in terms of implementation, could you address NATO forces and the confidence level that the most interested parties would have in a force under NATO leadership, as you raised that?

Mr. NORTON. Sure. Going back to the force, first, I do not envision a large U.S. presence. But I think the U.S. flag is important there, and so I would envision a small element of the staff to be from the United States so our flag is there. Our interest is shown.

Mr. NORTON. But traditionally there have been a number of countries very interested in the Cyprus problem and have offered their services, sometimes unpaid—sometimes paid, but normally not—to the U.N. What I propose is not unlike the U.N. particularly. It would be very similar. I suspect that some of those countries would still want to provide forces.

I would also say that this is a NATO-led, not a NATO operation, which means you would have countries outside NATO involved. Australia has been involved for a long, long time, and I would suspect that they would continue to be. Ireland, Canada, Austria, and Finland have also been involved a long time; I would think they would continue.

I do not think it would be particularly difficult to come up with a list of countries who would offer troops, because we are not talking very many, to be put under a NATO-led force for Cyprus.

Mr. MCNAMARA. Did any other panelist want to...

MR. LESSER. No. I think those are all perfectly sound ideas. I would also stress that much of what we might consider will not necessarily be in the form of peacekeepers in the conventional sense. You know, a lot of it may have to do with monitoring and surveillance and transparency in a more general way, where I can imagine a number of organizations potentially having a role—OSCE, NATO included.

[Audio gap.]

QUESTIONER. ... but I think I was going to remain silent really, but as the discussion goes on about a NATO-led force or a NATO commander, I feel I should respond, because at least one of the parties—and I believe probably the other party, too, but I'm not going to speak on their behalf, I can't—but I know that for us, the Turkish Cypriot side, the continuation of the present guarantee system, which involves five parties—Turkey, Greece, the United Kingdom and the two parts of Cyprus—that is a *sine qua non* for our security.

Any updating as envisaged in the U.N. documents—for instance, 1990 (inaudible) set of ideas, and later on in some other documents—what is envisaged is an equal number of Greek and Turkish troops on...

[Audio gap.]

QUESTIONER. ... the Turkish troops remaining in the north, a size that will be agreed upon, and a Greek force that will remain in the south, the number of which will also be agreed upon. This is what we envisage.

We do not see, frankly, any need for involving further international organizations, be it NATO or OSCE. It will only complicate matters even further. There is already a working system of guarantees, we believe exemplified by—and I know this is going to be taken as a very controversial issue, but I do not think anybody can argue with success. Since 1974 Cyprus has enjoyed uninterrupted peace.

Thank you very much.

Mr. MCNAMARA. Thank you. I appreciate the active involvement...

[Audio gap.]

Mr. MCNAMARA. ... that there is general agreement, and perhaps the one consensus is that the stakes are high.

From the Commission's perspective, with our mandate principally being focused on the human dimension, clearly, the security issues that have been discussed today have very significant impact on the human dimension for the people of Cyprus, whether they are Greek Cypriots or Turkish Cypriots. We will certainly continue to monitor developments during the balance of the year, and hopefully these talks will lead to a positive resolution. Thank you for your presence here today. This Commission briefing is adjorned.

APPENDICES

PARTICIPATING PANELISTS

DOUG BANDOW
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Senior fellow Doug Bandow is widely regarded as one of America's most incisive observers of current events. His weekly column is published by major newspapers across the country, and he writes regularly for leading publications such as *Fortune* magazine. In addition to being a prolific author, Bandow speaks frequently at academic conferences, on college campuses, and to business groups. He has appeared on many national television and radio shows, from *Crossfire* to *Oprah*.

Bandow speaks and writes on such diverse topics as foreign aid, religion, environmental protection, foreign policy, education, and the drug war. Bandow, who holds a B.S. in economics from Florida State University and a J.D. from Stanford, worked in the Reagan administration as special assistant to the president and has also served as editor of the political magazine *Inquiry*.

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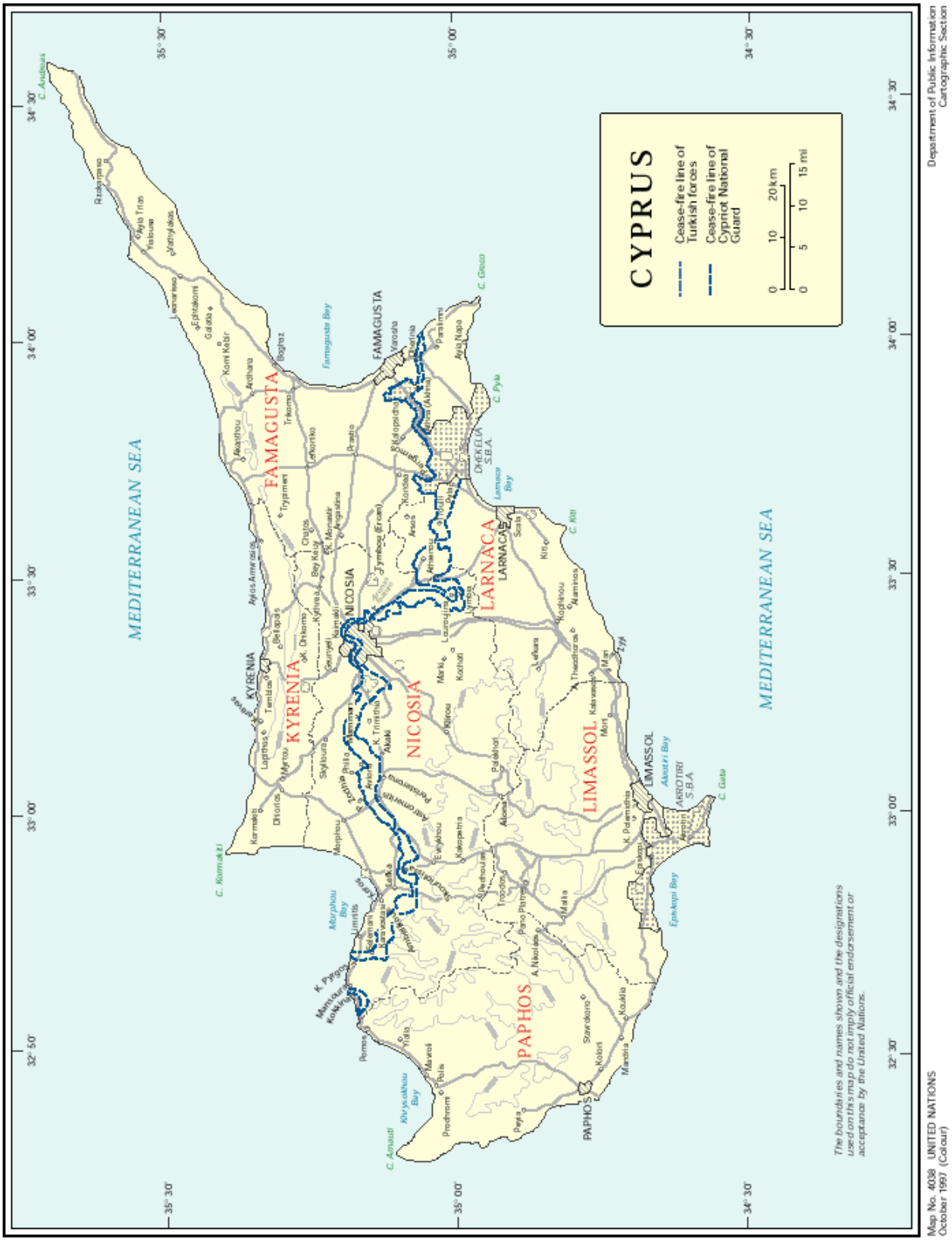
MAP OF CYPRUS



SUBMISSION OF COL. STEPHEN R NORTON (U.S. ARMY RET.) SENIOR POLICY ADVISOR, WESTERN POLICY CENTER

RESOLVING CYPRUS: THE FUTURE OF SECULAR TURKEY

Cyprus is a deceptively serene island snuggled in the eastern Mediterranean near Turkey, Syria, and Lebanon, with a lugubrious modern history that has caused significant problems over the past half century for the United Kingdom, Greece, Turkey, NATO, the U.N., the United States, and, now, the European Union.

Since 1963, three years after the U.K. granted independence to its long-held colony, Greek and Turkish interests have collided in Cyprus. The Cyprus problem has driven a wedge between NATO allies Greece and Turkey, destabilized the eastern Mediterranean, and strained Turkey's relations with Europe.

Today, the impact of Cyprus is not only on lingering Greek-Turkish issues, but on the future politico-military orientation of Turkey, as well. Given the many U.S. and Western interests that Turkey affects, its future orientation is a significant issue.

Containing Iraqi President Saddam Hussein, working toward stability in Afghanistan, fighting international terrorism, protecting and transporting energy resources from the Caspian Sea, ending ethnic conflict and furthering peace in the Balkans, expanding access to and influence in the Central Asian states, and promoting Muslim partnership with Israel are some of the major U.S. foreign policy issues involving Turkey.

More importantly over the long term, Turkey is a prototype for modernity for other Islamic countries, providing hope that the negative, repressive, xenophobic environment that has developed in some Islamic countries can be replaced. In these countries, hatred, fear, and ignorance are grist for recruiting young people as terrorists. Moderate states, such as Egypt, Jordan, Morocco, and Pakistan, could greatly benefit by following the Turkish model—as long as the Turkish model works.

Turkey can best promote U.S. and Western interests by becoming a more politically stable and socially cohesive country. The danger is that Turkey's future Western orientation is neither predictable nor certain.

The single most important long-term threat to Turkey is the rise of radical Islam, which threatens the very essence of its secular democratic nature. The answer to radical Islam is implementing essential political, legal, and economic reforms and raising the standard of living in the country.

The Turkish government has concluded that EU membership is the best way to achieve an improved economy and thus stem the threat of radical Islam. The stakes are high, and failure to turn the economy around exponentially will threaten the secular democratic system in Turkey.

The conundrum that now exists in the eastern Mediterranean is that, if EU membership is approved for Cyprus before the Cyprus problem is settled, Turkey has threatened to annex the "Turkish Republic of Northern Cyprus (TRNC)." This could result in an outright political union or a mini-Turkish Economic Union. In either case, the Green Line separating the two communities would effectively become a permanent, armed, demarcation line, and Turkey's EU future would be ended. In this scenario, everyone would be a loser:

- Without a Cyprus settlement, the Republic of Cyprus would hold veto power over Turkey's EU membership.

- The Turkish Army presence in Cyprus, justified in Turkish thinking by the 1960 Treaty of Guarantee, would be viewed as an occupying force in EU territory. Turkey's improving reputation in the EU would plummet drastically.
- Greek Cypriot hopes of seeing the bulk of the Turkish Army return to the mainland would be dashed, perhaps permanently.
- Greek-Turkish relations would surely suffer, and tensions over disputes in the Aegean could be expected to escalate.
- NATO cohesion would be diminished at a time when the Alliance is engaged in the Balkans and in the war on terrorism.
- Turkey would conclude that the likelihood of its gaining full EU membership had, for the foreseeable future, ended and would lessen any EU influence on Turkish actions and thinking.
- The eastern Mediterranean would become a permanently fractious region where defense budgets and the potential for conflict would remain high. Military forces along the Greek-Turkish land border and the Green Line in Cyprus would probably be reinforced, while air and naval activities throughout the Aegean and around Cyprus would increase.
- Finally, the idea of showcasing Turkey as a model to be emulated by non-radical Muslim states would be severely damaged. The loss of EU funds, continued high defense expenditures, and the turmoil caused by seeking an economic niche outside the EU would keep the Turkish economy in the doldrums. Instead of serving as a bridge between East and West, Turkey would become more like a frontier between the two.

From the U.S. Government's viewpoint, any solution to the Cyprus problem that might also damage U.S.-Turkish relations is simply not worth it, which is why the problem has been viewed as an issue to manage and not necessarily solve. Also, until just recently, there was no particular urgency attached to the Cyprus problem.

The paradigm heretofore used to protect U.S.-Turkish relations, that of having a policy of benign neglect toward Cyprus, has changed. Now, paradoxically, an activist policy aimed at solving the Cyprus problem is the best way to protect the range of U.S. interests with respect to Turkey.

Turkey should reexamine its Cyprus policy to find alternative positions to protect its own candidacy for EU membership. A comprehensive settlement in Cyprus based on the Clerides-Denktash discussions would be the ideal solution, but it is not necessarily the most likely outcome. Therefore, interim, but important, adjustments should be considered, as well. These include: Turkish acknowledgment that Cyprus will meet EU criteria and gain membership in the bloc many years before Turkey does. Rather than annex the "TRNC" when this happens, Turkey should help find a way to include Turkish Cypriots in the EU accession process in a manner that protects its interests.

Redefining a successful Cyprus policy. Instead of adopting an "either/or" approach to a comprehensive political settlement, identify steps based on the "art of the possible," such as arrangements to allow participation of the Turkish Cypriots in the EU accession process or modifications in the international trade embargo against northern Cyprus.

New flexibility regarding the basic EU tenet that all citizens can move freely, with the right to acquire private property, within a member country. This greatly concerns Turkey, which envisages Greek Cypriots simply moving north, buying the "TRNC" parcel by parcel, and relegating Turkish Cypriot workers to unskilled labor and farming while Greek Cypriots become the primary entrepreneurs across the entire Cypriot republic.

But this EU tenet is not absolute, and arrangements—even at a transitional level—can be considered for Cyprus to assuage these fears.

Most promising is the prospect of a new security architecture that could be built now and implemented either before or after an overall political settlement is achieved. This architecture, which would expand Greek-Turkish rapprochement into the military arena, could create the needed impetus to move forward on the political, economic, legal, and social dimensions of the Cyprus problem. The architecture should eliminate the offensive military capabilities on both sides; equalize Greek and Turkish mainland units in Cyprus at brigade level, about 5,000 troops or less; replace UNFICYP, the U.N. peacekeeping force in Cyprus, with a European or NATO-like unit; and put all forces in Cyprus under a single commander from a NATO country.

Removing the bulk of regular Turkish Army units and disbanding the entire Greek Cypriot National Guard would allow the security focus to shift to expanded police protection of all Cypriots, which would assume greater importance in the post-settlement phase.

Keeping Turkey on the road to EU membership serves and promotes important U.S. and allied interests. Among these are improved Greek-Turkish relations, NATO cohesion, stability in the eastern Mediterranean, increased security in Cyprus, and the strengthening of Turkey's unique long-term melding of all the elements of a modern Western society with Islam.

Turkey's entry into the EU will either be helped or hindered by the manner in which Cyprus's accession is handled. It is critical to incorporate the Turkish Cypriots in this process in a way that does not hurt Turkey's two vital interests in Cyprus: first, protecting the ethnic Turkish minority and, second, ensuring that Cyprus will not be used for military bases that could threaten the Turkish mainland.

It will take compromise and adjustments on both sides of Nicosia's Green Line to successfully negotiate Cyprus's accession to the EU in a manner that promotes regional peace, stability, and economic development—but compromise is what democracies are all about.

SUBMISSION OF PHILIP H. GORDON, SENIOR FELLOW, FOREIGN POLICY STUDIES, THE BROOKINGS INSTITUTION

TALKING TURKEY ON CYPRUS

As President Bush sits down to meet with Turkish Prime Minister Bulent Ecevit in the White House today, another important meeting will be taking place some 7,000 miles to the east, on the island of Cyprus. There, Turkish Cypriot leader Rauf Denktash and Greek Cypriot leader Glafcos Clerides will begin a last-ditch process of talks designed to overcome the island's division, the outcome of which will have implications that extend far beyond the island's 800,000 inhabitants. At stake is the very relationship between Turkey—a key U.S. partner and Muslim ally in the war on terrorism—and the West.

Prior to Mr. Denktash's unexpected decision last month to begin negotiations, a major crisis over Cyprus seemed almost certain. The scenario looked like this: The European Union, dismayed by Mr. Denktash's refusal to talk, was planning to invite Cyprus to join the EU at the end of 2002, regardless of whether the island's division was resolved or not. Since the recognized government of the island is in the hands of the Greek Cypriots, this would mean exclusion of the Turkish-held third of the island, which Turkey has threatened to annex if the EU accession goes ahead. Annexation would mean condemnation from the United Nations, tensions between Greece and Turkey, the effective end of Turkey's own dream of joining the European Union, and the diplomatic isolation of one of the United States' most important partners in the war on terrorism. All at a time of severe financial crisis and considerable domestic political uncertainty in Ankara.

The new Cyprus negotiations provide the best opportunity for years to avert such an outcome. Talks between Messrs. Denktash and Clerides, of course, hardly mean the end of the Cyprus problem. The two aging leaders, after all, have met countless times since Cyprus's division 27 years ago, and they have never found a solution. The strong Greek Cypriot desire to keep the island at least nominally unified and to regain homes lost during the 1974 Turkish military intervention is met by an equally unwavering Turkish Cypriot desire for autonomy, recognition and the security that their minority community did not have when the island was unified and independent from 1960-74. But the new body language coming out of Nicosia, along with Mr. Denktash's apparent withdrawal of his insistence that Turkish Cypriots could accept nothing short of recognition as a separate state, provide real hope.

The new promise on Cyprus is reinforced by yet another recent potential breakthrough, Turkey's agreement last month to allow a defense relationship to develop between NATO and the EU. For more than two-and-a-half years, Turkey has been blocking an arrangement that would allow the EU to use NATO's military planning assets for its own potential operations so that it would not have to develop such assets on its own. Turks felt excluded by the EU's development of a defense policy separate from NATO's and insisted that the Europeans could only have automatic access to NATO means if Turkey had the right to veto—or at least participate in—EU actions, which was more than the Europeans would give. At the last minute, in the face of growing European exasperation with Turkish stubbornness (and an American message that the deal on offer was the best that they would get), Ankara accepted European assurances that the defense force would not be used to harm Turkey's interests, and signed off on the deal.

The progress on Cyprus and European defense could be the sign of a new Turkish flexibility that shows that Turkey wants to remain on the path toward Europe. In the

past, Turkey has shown a strong tendency to dig in its heels not only up to the 11th hour but often beyond it. This is a tactic it has used with friends and foes alike, and as a critically important partner in the war on terrorism, it was all too likely that Turkey would take a hard line yet again and assume that the Americans would ride to its rescue, both on Cyprus and European defense. Instead, Ankara's compromise on the defense issue and Mr. Denktash's about-face on Cyprus suggest a new moderation. Ankara seems to understand that it cannot bully its way into the EU but must prove that it can accept the give-and-take that is inherent in the European process.

There is obviously still much work to be done. The NATO-EU defense deal—brokered by the United States and United Kingdom—still has to be ratified by both organizations, and EU member Greece is already complaining that the compromise with Turkey goes too far. Even more difficult will be coaxing a painful compromise out of Cypriots on both sides of the Green Line. This means insisting not only that the Turkish Cypriots cede some territory and accept the concept of a loose federation, but persuading the Greek Cypriots to concede maximum autonomy to the Turkish side and generally accepting compensation for—rather than return of—lost property. A way will also have to be found to prevent Cyprus from being able to block Turkey's own accession to the EU if Turkey meets the membership criteria.

These compromises will be difficult, but the stakes are high. The failure to close these potential deals would isolate Turkey from the West at a time when our cooperation with the only Muslim democracy in the Middle East could not be more important. Completing those deals, on the other hand, would mean a new basis for transatlantic defense cooperation, security for all Cypriots, and a path for Turkey toward the EU and all the stability and prosperity that comes with it.

CYPRUS: THE PREDICTABLE CRISIS
BY HENRI J. BARKEY AND PHILIP H. GORDON

Most international crises take leaders by surprise. While the region or issue that might blow up can often be identified in advance, the timing and contour of any particular crisis usually cannot. The coming dispute between Turkey and the European Union over the Mediterranean island of Cyprus, however, provides the rare opportunity of a coming crisis that can be pretty well scripted in advance. Barring significant new developments, none of which will come about without major outside intervention, the accession of the Greek part of Cyprus in 2004 to the European Union will trigger a severe crisis between Turkey and the West. The crisis is set to begin, however, at the end of 2002, when the EU plans to issue invitations to prospective candidates. Unless something is done to alter the current course of events, the entry of a divided Cyprus into the EU will reverse much of the cooperation that has developed recently between Greece and Turkey, increase tensions on the island, further alienate Turkey from Europe and generally worsen Turkish domestic political conditions. The resulting crisis could lead to Turkish annexation of Northern Cyprus, the permanent division of the island, a deep rupture between an aggrieved Turkey and Europe, and a possible military confrontation between two NATO members.

Avoiding this all-too-likely scenario should be a high priority for U.S. and European policymakers, even as they rightly focus the bulk of their attention, political capital and foreign policy resources on coping with the aftermath of the September 11 terrorist attacks on the United States. Indeed, whereas the natural tendency in the face of such an overwhelming new priority would be to push the seemingly eternal "Cyprus problem" to the back burner, the issue is both more pressing and more important than ever before. It is more pressing because of a timetable that has the EU set to announce Cyprus' accession sometime next year, even if Turkey's objections remain. And it is more important because a clash with Turkey over Cyprus, at a time when the United States is trying to sustain a global coalition against terrorism and fight wars in the Middle East, would deeply damage American national interests. Knowing this, of course, Turkey will be all the more likely to dig in its heels over Cyprus and expect Europe to back down.

The United States has an important role to play in defusing the Cyprus time bomb before it explodes. Whereas the EU naturally holds most of the highest cards (namely the accession timetable and economic incentives), the United States—as Turkey's most important strategic ally and an important partner of Cyprus, Greece and the rest of the EU—has significant leverage on all the parties involved. Leaders in Washington should avoid the temptation to dismiss Cyprus as an unnecessary irritant as they deal with more important issues, and instead use the long lead time before the coming crisis to take action. This means not only pushing hard to achieve a political settlement on Cyprus before accession (the optimal, if improbable, scenario), but also starting to prepare for the more likely scenario in which such a settlement is not reached and the EU enlarges to accept Cyprus without one. Only by pulling a range of strings with Turkey, Greece, Cyprus and the EU partners can this latter scenario be managed without producing the crisis that would otherwise inevitably result.

THE DIVIDED ISLAND

The division of Cyprus has been one of the most intractable problems in international relations for decades, frozen almost in place for over a quarter century. The current disputes date back to the early 1960s, when the delicate balance constructed between the Greek and Turkish communities at the time of independence from Britain collapsed, primarily as a result of attempts by Greek Cypriots to undermine the Turkish Cypriots' constitutional protections.

The constitutional system broke down after inter-ethnic clashes in 1963, after which Turkish Cypriots no longer participated in the government. Between 1963 and 1974, the minority Turkish Cypriot community was frequently harassed by the majority Greeks, and acts of communal violence escalated. Conditions changed radically when, in 1974, the ruling military junta in Athens, in part to compensate for its growing unpopularity at home, instigated a coup in Cyprus. The coup resulted in the overthrow of the elected president, Archbishop Makarios, and his replacement by a member of the main anti-Turkish terrorist movement, Nikos Sampson. Turkey, as a guarantor power, responded by invading the island on July 20, 1974. Unsatisfied with the military gains achieved by the time a ceasefire was implemented, Turkish troops went on the offensive again in August, resulting in the current territorial division of the island. Backed by the Turkish military, the Turkish Cypriots, representing 18 percent of the population, ended up with around 37 percent of the island.

Since then, all efforts to broker a solution to the conflict have failed. While the Greek Cypriots continued to enjoy legal recognition as the Republic of Cyprus, the Turkish Cypriot administration in 1983 declared its independence and formed the Turkish Republic of Northern Cyprus, an entity recognized only by Turkey, and supported both by Turkish financial aid and some 30,000 Turkish troops. Over the years, numerous attempts have been made to bring the two sides together, and countless rounds of talks have been held under U.N. auspices with active U.S. participation. All have proven fruitless. The general contours of a possible deal on a new Cypriot federation have been known for years: the Turkish side would cede territory to more closely reflect its share of the island's population; the Greek side would recognize Turkish administration over its zone; citizens on both sides who lost property would receive compensation or the right to return home; and a new, decentralized government would be formed. But none of the plans has been able to overcome seemingly insuperable obstacles: the inherent difficulties of building a joint government for two antipathetic communities; the Greek Cypriots' unwillingness to countenance a formally separate Turkish Cypriot area within Cyprus; and the Turkish Cypriot—and Turkish—preference for the post-1974 status quo.

While those who experienced personal or property losses in 1974 suffered greatly in subsequent years, Cyprus has actually been relatively stable since its division. During the 1980s and early 1990s it was a major issue only for those with a direct interest in it, including the powerful Greek-American domestic lobby and its supporters in Congress. The Cyprus problem rose to new prominence in 1995, however, when the European Union put Cyprus at the top of its list of candidates for future EU membership. The agreement to do so was reached under strong pressure from Greece, frustrated by the lack of progress toward a settlement, and as a quid pro quo for Athens agreeing to an EU customs union with Turkey. EU leaders were also convinced that the prospect of membership in the Union—massive economic benefits for both Cypriot communities and the freedom for Cypriots to work and travel throughout the Union—would catalyze the resolution of the inter-communal divisions on the island.

They were wrong. The eu's playing of the Cyprus card only stiffened Turkish resolve against a compromise. The eu's decision at the December 1997 Luxembourg Summit not to offer Turkey a path to EU accession further strained Turkish-European relations and made Ankara even less likely to encourage the Turkish Cypriots to cooperate. Two years later, with a Greek government now focused on deepening its integration with Europe and winning entry into the euro zone (and after strong pressure from the United States), the EU reversed course. At the 1999 Helsinki Summit, Turkey was made a formal candidate and declared to be "destined to join the Union." The price, however, was a renewed commitment to the resolution of the Cyprus problem. While noting that "all relevant factors" would be taken into account when the time came to decide on Cyprus' accession (widely taken to mean that the Greek Cypriots had to show good faith efforts to negotiate a political settlement), the EU stated clearly for the first time that the end of the island's division was not a precondition to membership. Thus was lit the fuse leading to a political settlement on the island—or to a crisis with Turkey.

TOWARD EUROPE

Despite the enduring deadlock over Cyprus, Turkey's relationship with the European Union—including with its historical rival Greece—has improved significantly since the Luxembourg Summit debacle. Whereas the mid- to late-1990s were plagued by a series of dangerous clashes and crises—concerning ownership of the Imia/Kardak islets in the Aegean (1996), the Luxembourg Summit (1997), Turkey's threat to respond militarily to Cyprus' proposed purchase of a Russian S-300 air defense system (1998), and Greece's support for Kurdish Workers' Party leader Abdullah Öcalan (1998–1999)—the period since 1999 has been marked by an encouraging rapprochement both between Turkey and the EU and between Turkey and Greece. The Istanbul and Athens earthquakes of August and September 1999 further brought the two countries closer, as the populace in each country mobilized to provide assistance to the other, ushering in a period of what some observers called "seismic diplomacy." Under the new, pro-European moderate government of Costas Simitis, Greece adopted a new strategy of cooperation with Turkey. This new approach, driven primarily by Foreign Minister George Papandreou, has led to a long list of concrete agreements—in the areas of economic cooperation and trade, tourism, the environment and people-to-people exchanges—that demonstrate the potential to transform relations among these historical rivals and move Turkey closer to its aspiration of acceptance in Europe.

All of this progress, however, could be halted—and perhaps reversed—by Cyprus' accession to the EU in the absence of a prior political settlement. Turkey has remained deeply hostile to the accession of a divided island, and senior Turkish officials have threatened to do "whatever is necessary"—perhaps including the annexation of Northern Cyprus and further militarization of the island—to protect Turkish interests. Greece, however, has not backed down, and continues both to defend the principle that Cyprus must remain a single international entity (i.e., no recognition for the Northern Cyprus regime) and that Cyprus must be allowed to join the EU regardless of whether the island's division is overcome. Indeed, Greek leaders and members of parliament have made it clear that Greece would block the accession of any other prospective EU members (such as Poland, Hungary or the Czech Republic) unless Cyprus is allowed to join at the same time. Thus the potential for crisis, as the seemingly unstoppable progress of Cyprus' EU accession runs into the equally determined Turkish and Turkish Cypriot unwillingness either to accept a

deal on the island or to acquiesce in Cypriot accession. Recent improvements in Greek-Turkish and Turkish-EU relations would be unlikely to survive such a development, with all the attendant implications this would have for peace and security in the region, domestic political stability in Turkey, regional military spending, and economic, energy, and defense relations among Turkey, the EU, and the United States.

Suffice it to say, then, that mistakes have been made. The idea of inviting Cyprus to join the EU has not led to a political settlement as was anticipated; there is little evidence that the parties are any closer to an agreement now than they have been for the past 27 years. Even if a majority of Turkish Cypriots want a deal—which may be the case—their leaders (and more importantly, leaders in Turkey itself) are unprepared to accept one on the terms being offered, and those terms do not seem likely to change substantially. On the other hand, Turkish assumptions regarding Cyprus and EU accession—that in the end, the EU would never actually accept a divided island—also seem to have been proven flawed. Until recently, most objective observers would have predicted that a divided island would not be allowed to join the EU, but now the reverse seems more likely.

This change in Cyprus' EU prospects has come about for four main reasons. The first is, as noted above, that in exchange for the extension of candidacy status to Turkey at the 1999 Helsinki summit, the Greek side won the eu's agreement that Cyprus' reunification is not a prerequisite for EU accession. The second factor has been Cyprus' rapid progress in fulfilling the various chapters of the *acquis communautaire*, the body of EU legislation with which all candidates must comply before they are allowed to join. At last report, Cyprus was at the top of the list of candidates in this regard, having fulfilled 23 out of 31 chapters, thus well on the way to removing any technical obstacle to its accession. To the extent that the Turks were hoping that Cyprus' accession would be derailed by its failure to comply with EU rules, they have been disappointed.

Third, at its December 2000 Nice summit, the EU undertook the institutional changes necessary to allow for rapid enlargement of the Union, such as limiting the size of the European Commission, using more qualified majority voting, and re-weighting majority votes in the European Council. (It is true that Ireland's June 2001 rejection of the Nice Treaty in a referendum is a setback for institutional revision, but most observers believe that the Irish will find a way to ratify by 2002, allowing the institutional changes to proceed and thus pave the way for enlargement.)

Finally, there is the widespread perception in Europe (and elsewhere) that the Greek Cypriot side has been more willing to pursue a political settlement than the Turkish side, and that the Greek Cypriots should not be punished for Turkish intransigence. In exchange for the December 1999 Helsinki statement on Turkish candidacy, the United States and the EU received assurances that the Turkish Cypriots would reengage in the U.N.-sponsored process. Turkish Cypriot leader Rauf Denktash, however, has twice walked away from that process. His decision to abandon the proximity talks in November 2000 reinforced the perception that his participation had never really been sincere, that he only sought to appear reasonable in the run-up to the Helsinki decision. The following year, arduous efforts by the United States and others led to an understanding between Washington and Ankara that the talks would resume. They did not. On the eve of their scheduled resumption in September 2001, Denktash again backed out, with Turkey's full support—leading to a denunciation of the Turkish Cypriot position by the U.N. Security Council and key EU member states. Denktash's behavior has thus strengthened the Greek Cypriots' hand, relieved them from having to negotiate, and made it difficult for the EU to do anything but include Cyprus in its ranks.

THE COSTS OF A CLASH

In theory, at least, all parties to the Cyprus dispute have an incentive to reach a deal, and a "last-minute" settlement of the problem is not entirely impossible. On the Turkish Cypriot side, dire economic conditions—brought about by a Greek Cypriot-led embargo on its exports and homegrown mismanagement and corruption—have assumed almost disastrous proportions. The exodus of many of the most talented Turkish Cypriots has accelerated, as migrants from Anatolia, with few ties to the local culture and no natural attachment to the notion of Cypriot identity, replace them. (According to the best estimates, nearly half of northern Cyprus' population is made up of mainland settlers.) The recent economic crisis in Turkey also means that Turkish Cypriots cannot count on the mainland to bail them out anytime soon. In this context, the prospect of EU accession may appear increasingly attractive to many Turkish Cypriots, especially to the extent that their rights and interests are protected through membership in the EU. The Turkish Cypriots also have an incentive to make a deal before the Greek part of the island joins the EU, given that their bargaining position would be weaker after such an accession. Moreover, the inclusion of Turkish Cypriots in the EU would have the added benefits of making Turkish an official EU language, and perhaps help to lower the psychological barrier to Turkey's eventual accession.

Even though Greek Cypriots are slated to join the EU, they, too, have incentives to make a deal. First and foremost, a crisis over accession and Turkish annexation of the north would put a definitive end to long-standing Greek Cypriot dreams of a reunified Cyprus. In effect, by withholding sufficient incentives to their Turkish neighbors, they may be strengthening the hand of hard-liners; whereas a more moderate Turkish Cypriot administration in the future might reverse course. Annexation would also end any hope of regaining through negotiations some of the territory lost in 1974. There are economic risks, as well. In contrast to the crisis-ridden north, the economy of the Republic of Cyprus is thriving, but a post-accession crisis with Turkey—especially if Ankara has given up its EU aspirations—would undoubtedly lead to increased military tensions that would, at a minimum, undermine investor confidence and hurt the vital tourism sector.

Finally, both Greece and Turkey would themselves benefit greatly from a deal on Cyprus. A settlement of the Cyprus problem would remove perhaps the greatest obstacle to their bilateral cooperation and restore the possibility that the two countries could not only peacefully coexist but actually become friends, as they were before tensions over Cyprus emerged in 1955, ending the two countries' rapprochement that had begun during the 1930s. A deal would greatly reduce the financial drain that northern Cyprus represents for Turkey and would allow both Greece and Turkey to reduce their military budgets (at present by far the highest per capita among NATO members). That, in turn, would facilitate Greece's economic integration into the euro zone and ease, at least in part, Turkey's current financial crisis. Finally, a Cyprus settlement would also remove a key barrier that stands between Turkey and the eu; it is far from the only barrier, but even if Turkey made other necessary changes it is hard to imagine it ever joining the Union so long as the Cyprus issue remains unresolved.

AN OPPORTUNITY FOREGONE?

Despite these clear benefits to all, past history—and the deep mistrust that persists among the parties on Cyprus—suggests that the parties will dig in their heels not only right up until the eleventh hour, but beyond it. Turkey's inclination in the run-up to the

eu's Cyprus decision will be to escalate the level of rhetoric in the hope of leading a nervous Washington to weigh in with EU members on Turkey's side. In recent years, Turkey has successfully employed such a strategy against friend and foe alike. In 1998, for example, when Turkey discovered that the Greek Cypriots were planning to import Russian-made S-300 long-range anti-aircraft missiles, it threatened to "take them out" with military force, and the Greek Cypriots—under American and European pressure—had to beat a humiliating retreat. Similarly, Ankara can derive satisfaction from its confrontational stance following the eu's Luxembourg decision sidelining it from the list of candidate countries; two years later, with an active U.S. diplomatic campaign in its favor, Ankara held a winning hand at the 1999 Helsinki Summit. More recently, Turkey's steadfastness helped it dodge a bullet in October 2000 when the U.S. House of Representatives, under pressure from a White House concerned about alienating Ankara, shelved a resolution that would have described the 1915 Armenian massacres as "genocide."

The debate over the eu's security and defense policy provides yet another good example: unsatisfied with the degree of involvement being offered to Turkey in the eu's emerging security and defense policy, Ankara blocked a NATO-EU deal at the April 1999 NATO summit in Washington. It held out for an offer of greater influence at Helsinki and Nice, and managed to extract further concessions from the EU in a proposed compromise struck at a June 2001 meeting in Istanbul. (While the Turkish Foreign Ministry was apparently satisfied with the eu's new and improved offer, the military and political leadership in Ankara has delayed agreement, and demanded still more.) With these recent examples to draw upon, no one should be surprised if Ankara were to conclude in the case of Cyprus that a strong stand will ultimately serve it well.

The post-September 11 war against terrorism may further encourage Turkey to dig in its heels. Because of its geographical location, size, military power, and role in the Middle East (particularly as a Muslim neighbor of Iraq and Iran), Turkey's geopolitical attributes trump those of Greece. Many Turks will thus conclude, as prominent Turkish columnist Sami Kohen recently put it, that "the United States will be loath to upset Ankara at a time when it urgently needs its help."[1] Indeed, it was perhaps no coincidence that only days after Turkey pledged in November 2001 to send special forces to support the American campaign in Afghanistan, Turkish Prime Minister Bulent Ecevit and other Turkish officials warned that southern Cyprus' EU accession could lead to annexation of the north by Turkey.

Greece, too, has seen the benefits of staking out maximalist positions. As suggested above, in 1994 Greece forced the EU to reconsider its position on admitting a divided island by simply taking the future enlargement of the EU hostage. Greece's success puts the onus on Turkey to be more forthcoming, provided, of course, that Greek Cypriots do not make diplomatic errors that test the patience of those governments that really matter on this issue. As long as Turkey does not fulfill its part of the Helsinki bargain, it will remain outside the EU, an outcome that may suit many in Athens despite proclamations to the contrary. Indeed, all Athens has to do is keep the Greek Cypriots focused on the goal of completing the acquis.

If each party sticks to its maximalist position, all will pay a heavy price. Greece would hardly benefit from Turkey's disenchantment. An immediate casualty of escalating tensions would be the goodwill built up over the last two years. New tensions would stress Greece's domestic resources as calls for spending more on defense would proliferate, undermining the uncharacteristic and impressive fiscal restraint recently shown by Athens. If Ankara were to carry out its threat to respond to Cyprus' EU accession by annexing the

island's north, the heightened tensions in the Aegean and on Cyprus could result in a conflict between the two sides—just as the 1996 Imia/Kardak incident nearly did. It is not clear how the rest of the EU would react in such circumstances. A failure of EU states to mobilize on Athens' side would deeply damage Greek-European relations. As became clear during the war over Kosovo, the Greek public is deeply skeptical of, if not outright hostile to, some Western policies. Demands on Greece to back NATO's pledges of support for U.S. military actions in Afghanistan and against Osama bin Laden's terrorist network have further strained relations between the Greek public and the West.

The costs to Turkey could be even greater. A crisis over Cyprus provoked by perceived Turkish intransigence is likely to delay, if not destroy, any chances Turkey has of joining the Union. In the near term, a veto-wielding Greek Cypriot-controlled Cyprus in the EU is hardly likely to accommodate Turkish interests. The longer-term cost for Turkey lies in Ankara's alienation or estrangement from the Western alliance. Turkey is not likely to join some other alliance system, nor will Turkish leaders actively court anti-American powers in their region or beyond. However, an inward-looking, increasingly nationalistic and autarkic Turkey could emerge, reversing the economic and political progress the country made during the 1980s and early 1990s. Having exposed the fragility of the Turkish economy, the economic crises of 2000 and 2001 have constrained Ankara's room for maneuver. An incorporation of northern Cyprus or any other precipitous action could undermine any confidence the international financial community may by then have regained. Estrangement carries enormous risks for an economy that is dependent on the West, and yet strong and large enough to think that it can make a go of it alone.

Turkey thus faces a terrible dilemma: a majority of the Turkish elite and public want Turkey to join the EU, an organization it fundamentally distrusts. The misgivings go well beyond Greece's presence in the EU. Discussions in Turkey over Cyprus' EU accession and the fate of the Turkish part are informed by a deep suspicion—not always unfounded—of the eu's real intentions and the authenticity of its invitation to Turkey to join. Rightly or wrongly, Ankara has interpreted current European efforts at constructing a security and defense policy as a deliberate effort to exclude Turkey. While the differences in religion and culture worry some Europeans, others are uneasy because of Turkey's large population, relative underdevelopment and thus its large potential claim on resources from the EU budget. For the EU, Turkish accession still seems remote primarily because of Turkish domestic problems, namely the authoritarian nature of the 1982 Constitution, the constraints on individual liberties and the still unresolved Kurdish question. In the absence of progress in these areas, Ankara will not earn Brussels' seal of approval. A divided Cyprus' joining the EU could also lead to the strengthening of those forces in Turkey hostile to its Western vocation.

Turkey's current economic and political difficulties could reinforce these negative trends. The political system has been unable to generate new ideas to confront the problems facing the society, or to make way for new leaders willing to take them on. In the vacuum of confidence and competence that has been created, the military's influence has grown, overshadowing the civilians and blurring democratic lines of authority. The military feels pressure not only to defend its corporate interests but also to maintain national stability and ideological harmony.

The military does not worry for nothing. After years of stability the electorate—having historically opted for moderate center-right formations—is showing signs of desperation. In 1995, an anti-Western Islamist party (Welfare), won a plurality with 21 percent of the vote. In 1999, two nationalist parties—the current prime minister Bulent Ecevit's

center-left Democratic Left Party and his deputy Devlet Bahçeli's far-right Nationalist Action Party, garnered 20 and 19 percent of the votes, respectively. These strange bedfellows then teamed up with Mesut Yilmaz's center-right Motherland Party to form the ruling coalition. The current instability of the Turkish electorate is further demonstrated by recent polls showing that under today's electoral system, the coalition's three constituent parties would fail to garner the requisite 10 percent of the vote to remain in parliament. This kind of uncertainty is not conducive to new thinking, least of all about Cyprus, and could easily activate the existing nationalist impulses of the current coalition government. Ecevit is on record as having said that the present division of Cyprus is the most desirable solution. His poor health and the possibility that his party may disintegrate should he have to leave office might also make the search for a solution more difficult. Bahçeli, as head of a future coalition led by his ultra-nationalist Nationalist Action Party, might use Cyprus as a means to establish his nationalist credentials.

Rightly or wrongly, the Turkish political-military elite will approach the Cyprus accession issue as one no less existential in nature than the Kurdish and Islamist problems of the past decade. There has been little debate on the merits of the Turkish position and tactics; support for Denktash has been solid irrespective of events in northern Cyprus. Dissent on Cyprus, as the Turkish columnist Ferai Tinç points out, is often branded as treasonous by Denktash and the hardliners.[2] Challenges to the Turkish military by opposition figures in northern Cyprus have also strengthened the military's determination not to concede. More importantly, the Cyprus issue will invariably be seen as part and parcel of a European attempt to deny Turkey what is rightfully its due.

Cyprus could thus emerge—and very soon—as the issue that decides Turkey's long-term future with Europe. Any concessions Turkish Cypriots might be required to make can galvanize not only the nationalistic elements in Turkey, but also those who have been opposed to European membership because of the domestic economic and political changes it would entail. Such a coalition could include established parties like the Nationalist Action Party, the nationalist Left, elements of the military worried about European demands for greater cultural autonomy for Kurds, and inward-looking business elites. Even Islamist groups that have become increasingly pro-European may switch sides if the global anti-terrorism campaign increasingly assumes a West-versus-Islam character, despite Washington's best efforts to prevent that from happening. For some, the temptation might be to replace Europe with a special security relationship with the United States, while maintaining the customs union with the EU.

AMERICA'S MANDATE

The stakes on Cyprus are higher than ever before. A crisis over the island's EU accession could dramatically raise regional tensions, undermine Turkey's difficult but steady evolution toward Europe, and create fissures among EU members. All this would leave the United States caught between its desire to promote a wider and more prosperous Europe and its inclination to stand by its Turkish friends.

In the face of these risks, trying to dissuade the EU from fulfilling its promise to accept Cyprus is tempting, but it is not a realistic option. Given the eu's commitments and interests, such an American intervention is unlikely to succeed—which EU member would or could agree to carry Washington's water on this issue?—And thus would lead only to needless tensions with Europe, Greece and Cyprus. An American attempt to block the Cyprus accession would also mean reversing the longstanding position of Democrats and

Republicans that Cyprus should be eligible to join the eu; it would remove any remaining pressure on the Turkish side to accept a political settlement; and perhaps most importantly, it would lead to Greece's certain veto of EU enlargement to any of the other pending candidates. That would create a crisis within Europe, which is the last thing the United States needs or should care to be blamed for. In short, trying to pressure the EU into pulling back its offer to Cyprus would only add one crisis to another.

Instead, the United States needs to engage simultaneously along four main fronts. First, Washington should not take the parties' current positions as final, and instead should increase its efforts to achieve a settlement. Success remains unlikely, but new factors—further flight of Turkish Cypriots; unrest and political dissent in northern Cyprus; Denktash's departure; political change in Ankara; or new and more tempting offers from Greek Cypriots—could at least conceivably lead to an agreement. The framework of the European Union, with its enforceable regulations on human rights, property and individual security might make practical the sort of political arrangements that forty years ago could not be made to work.

Second, Washington needs to do all it can to deepen Greek-Turkish and Turkish-EU ties so that all sides see clearly the costs of a crisis and the advantages of avoiding one. Since the 1999 earthquakes, much has been done to transform the Greek-Turkish relationship: beyond the new economic and political agreements of the foreign ministries, bilateral trade is now up to over $1 billion per year; a Greek-Turkish Business Council meets regularly; the two countries have cooperated in delivering humanitarian aid to Kosovo, de-mining exercises, immigration and anti-drug efforts; and there is even talk of a joint bid to host the 2008 European Cup soccer tournament as a symbol of their new degree of friendship. Turkey's relationship with the EU—despite the difficulties over the European security and defense policy and Cyprus—has also had its positive side since Helsinki. This has included growing trade via the customs union, Turkey's adoption of a "national program" designed to meet EU criteria, and most recently, the passage in Turkey's parliament of legislation that could advance freedom of expression, make it harder to ban political parties and even pave the way for eventual broadcasting in the Kurdish language. Despite these positive developments, neither Greek-Turkish nor Turkish-EU relations have yet reached a critical level beyond which a rupture becomes impossible. The more that can be done to strengthen such ties, the greater the incentive to reach a compromise over Cyprus.

Third, the United States needs to discourage Turkey from annexing the northern part of the island or otherwise raising military tensions in case of Cyprus' accession. Washington should make clear to Ankara that it would be obliged to denounce such a step and to support a UN Security Council Resolution condemning it (as it did Northern Cyprus' "declaration of independence" in 1983), and that Congress may adopt further sanctions. The United States must also make clear to Ankara that despite its heightened importance in the post-September 11 environment, Brussels and Washington are not prepared to retreat from longstanding positions on EU enlargement. Instead, the Americans should tell their Turkish friends that a measured, restrained response to Cyprus' accession would be the best way to keep the door open for an eventual reconciliation between Greek and Turkish Cypriots, and for Turkey's own eventual EU accession. Washington could also help by reassuring Turkey that it would help, via bilateral channels with key EU states and through NATO, to ensure that Cyprus' accession to the EU in no way threatens Turkey's security interests in the region.

Finally, the United States should work with the EU, Greece and the Greek Cypriots to develop an accession strategy that holds the door open to Turkish Cypriots and thus provides incentives for political solution. In other words, if U.S. support for Cyprus' EU membership cannot and should not be made conditional on a political settlement on the island (which would in effect be giving the Turkish side a veto), it can and should be made conditional on addressing Turkish Cypriot security concerns in a meaningful way. To date, Turkish Cypriots still fear their Greek counterparts' intentions (often for good reason), especially given the Greek side's numeric and economic superiority.

Americans and Europeans must also pressure the Greek Cypriot leadership to start preparing its citizens for an eventual resolution of the problem. Much of the rhetoric on both sides focuses on past wrongs and the need to rectify them. If the island is to be reunited, however, both Greece and the Greek Cypriots have to be magnanimous in their hour of success. Statements made by Greek Cypriots and the EU need to emphasize the willingness to hold the door open to future reconciliation rather than denouncing the Turkish side for actions dating back forty years, as they routinely do. Instead of using their EU relationships to pursue major new arms procurements, the Greek Cypriots should use their enhanced security status within the EU to reduce arms on the island. Another potentially important gesture would be the lifting of the economic embargo on the north. Making the Turkish Cypriots poorer will not make them more willing to compromise, but only further fuel their mistrust.

Ultimately, if a solution cannot be reached in time for Cyprus' accession, the United States and the EU must fashion a reasonable temporary compromise to prevent either side from taking irrevocable decisions. The purpose of such a temporary compromise would be to gain time without losing ground. Even if the EU decides to extend an invitation to Cyprus at its December 2002 summit, actual accession would not take place for another two years, providing time to achieve a solution. Just as Greeks and Greek Cypriots must keep the door open to Turkish Cypriot accession as part of a unified island, Turkey and Turkish Cypriots must understand that their future lies with the West. If the United States can help the parties to take these hard decisions, the coming Cyprus crisis, which now seems so inevitable, might be averted after all.

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